

## APPENDIX A: Detailed cost estimate of Pritzker proposals

The Illinois Policy Institute used public statements from Pritzker and various government data to develop estimates of the fiscal impact of his spending proposals. Estimates have been updated to reflect new revenues and expenditures from the governor's proposed budget as well as new budget proposals from the Illinois State Board of Education.

At the high end, the new spending promised by Pritzker could cost taxpayers \$19.4 billion more annually. At the low end, his proposals would cost \$14.3 billion.

### Pritzker income tax hike must raise \$14 billion-\$19 billion in first full year of progressive tax

Proposed new spending and revenues net of structural deficit for fiscal year 2022 (in millions)

#### SPENDING

Item	Cost per year (high end)	Cost per year (low end)
Pension obligation bond	\$1,700.80	\$303.72
Eliminate bill backlog	\$1,607.56	\$227.79
Structural deficit	\$3,277.00	\$3,277.00
Higher education	\$1,800.00	\$724.42
Fully fund K-12 education	\$6,739.22	\$6,739.22
Universal preschool	\$1,307.13	\$52.83
21st century capital bill	\$4,300.00	\$3,950.00
Public option healthcare	Insufficient detail	Insufficient detail
<b>Total:</b>	<b>\$20,731.72</b>	<b>\$15,274.97</b>

#### RECURRING REVENUE

Legalizing recreational marijuana	\$700.00	\$350.00
Video gambling expansion	\$89.00	\$89.00
Online sports betting	\$12.00	\$12.00
Increase tax on retailers	\$75.00	\$75.00
Statewide plastic bag tax	\$23.00	\$19.00
Taxing Medicaid providers	\$390.00	\$390.00
Increase cigarette tax	\$55.00	\$55.00
New e-cigarette tax	\$10.00	\$10.00
<b>Income tax hike required</b>	<b>\$19,377.72</b>	<b>\$14,274.97</b>

Note: Low-end costs for pension and backlog bonds reflect FY20 proposed amounts, while high-end reflects amounts necessary to achieve stated goals

Source: Illinois State Board of Education FY20 Recommended Budget, GOMB 5-year Projection, National Institute for Early Education Research State Preschool Yearbook 2017, Center for Tax and Budget Accountability, Illinois Policy Institute calculations

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