70th Legislative Day

11/13/2019

- Clerk Hollman: "House Perfunctory Session will come in to order. Committee Reports. Representative Greg Harris, Chairperson from the Committee on Rules reports the following committee action taken on November 13, 2019: recommends be adopted, referred to the floor is Floor Amendment(s) 6 to Senate Bill 1300; approved for consideration, referred to Third Reading is Senate Bill 83."
- Speaker Harris: "The house will be in order. Members will be in their chairs. We shall be led in prayer today by Rabbi Adam Chalom who is with Kol Hadash Humanistic Congregation of Lincolnshire, Illinois. Rabbi Chalom is the guest of Representative Didech. Members and guests are asked to refrain from starting their laptops, turn off all cell... all cell phones and pagers, and please rise for the Pledge of Allegiance."
- Rabbi Chalom: "Clergy are invited to offer a few words to create a holy moment. What does it mean to make something holy? Something holy demands our full attention, our deepest emotions, sadness and longing, friendship and love, respect and gratitude. This week we observed Veterans Day, dedicated to soldiers who have defended our way of life and our democracy, indeed worthy of our highest attention and respect. After the Battle of Gettysburg, Lincoln asked the same question, what makes something holy? He said, the words of the living are fitting and proper, but deeds do more. '... in a larger sense, we cannot dedicate, we cannot consecrate, we cannot hallow, this ground. The brave men, living and dead, who struggled here, have consecrated it, far above our poor power to add or detract.' In the shadow of Veterans Day, the

70th Legislative Day

11/13/2019

work of the Illinois Legislature as our government 'of the people, by the people, and for the people' is indeed a sacred trust. To you has been given the privilege of deciding how others may live. You, the elected, are charged with improving world through your actions here. This responsibility of every human being every day. We know that one side's paradise may be the other's purgatory, and that partisan conflict is more tempting than hard compromise. The sacred trust placed in you by the people of Illinois must inspire you to work together for the common good. May you find the patience and understanding to do this. The Hebrew prophets lived in an era of violence. Yet some prophets envisioned a future without victory. They hoped for an end to conflict itself. The prophet... the prophet Micah predicted, 'They will hammer their swords into plowshares, and their spears into pruning hooks; Nation will not lift up sword against nation, and never again will they train for war. Each of them will sit under his vine and under his fig tree, with no one to make them afraid.' Let us use our political weapons to plow and plant together, so we may reap together a harvest of shalom, the fruits of peace. When we reflect on the work of our veterans, let us remember the democratic values they fought for, and let us bless each other with a sign of peace, with wishes of shalom."

Speaker Harris: "We will be led in the Pledge of Allegiance today by Representative Murphy."

Murphy - et al: "I pledge allegiance to the flag of the United States of America and to the republic for which it stands,

70th Legislative Day

11/13/2019

- one nation under God, indivisible, with liberty and justice for all."
- Speaker Harris: "Roll Call for Attendance. Leader Willis is recognized to report any excused absences on the Democratic side of the aisle today."
- Willis: "Please excuse, from this side of the aisle,
 Representative Mason and Representative Scherer."
- Speaker Harris: "Representative Spain is recognized to report any absences on the Republican side of the aisle."
- Spain: "Thank you, Mr. Speaker. Please let the record reflect that Representative Marron is excused today."
- Speaker Harris: "Have all recorded themselves who wish? Mr. Clerk, please take the record. There being 114 Members answering the roll call, a quorum is present. Good afternoon, Members. Could you please take your chairs? Could staff retire to the back of the chamber? Thank you. Members, could you please take your chairs? Staff, could you retire to the back of the chamber? We are honored, today, to be joined by the Consul General of the Republic of India, Shri Sudhakar Delela. He'll be speaking to us in just a moment. And it was very interesting to talk to him and his staff before we came onto the floor about the relationship between the Republic of India, the United States of America, and the State of Illinois in specific. It was fascinating to me that... to learn... not only is India the second most populous country in the world, with one of the fastest growth rates, soon to become the most populous country in the world, it's also a very young country with 65 percent of the population being persons 18 to 35 years of age. It is a country that has 4 times the population of

70th Legislative Day

11/13/2019

the United States of America, but a land mass that is only one-third of our size. So an incredibly populous and a very crowded country. And it is a country that does over \$3 billion a year in trade with the State of Illinois, largely in manufacturing and technology equipment. So it's a very important trading partner to our state. The Consul General joined the Indian Foreign Service in 1993, beginning his career in Tel Aviv, Israel, where he also acquired proficiency in Hebrew. He has since served in missions in Brazil, Geneva, Dhaka, and Washington, D.C. This being his second assignment in the United States, previously serving as Minister for political... excuse me... Political Affairs at the Indian Embassy in Washington, D.C. He brings a wealth of experience in trade, economic policy to his role, having twice served as the Permanent Mission of India to the World Trade Association, including as India's Deputy Permanent Representative. He's a member of India's negotiating team for the WTO Ministerial Conferences in Doha, Cancun, Hong Kong, and Nairobi. He has also served in critical offices in New Delhi. Serving as Director in the Prime Minister's Office, focusing engagement with its South Asian neighbors, China, and countries in the Asia-Pacific region, the Gulf, Middle East, and Africa. Most recently, serving as Joint Secretary, overseeing India's relations with Bhutan and Nepal. Before joining the Foreign Service, he earned a Bachelor's Degree in Electronics Engineering. He is married to Namrata, who is a textile conservator, and they have a daughter and son. Join me in welcoming his Excellency, the Consul General, to the House chamber."

70th Legislative Day

11/13/2019

Consul Dalela: "Honorable Speaker of the House, honorable Representatives, Ladies and Gentlemen. I thank you, Mr. Speaker, for the privilege to address the Illinois General Assembly and the people of Illinois today. Thank you, Mr. Speaker, for your kind words of ... kind words and generous introduction. It is indeed an honor to visit the Capitol City of Springfield, the city also of Abraham Lincoln. I bring the greetings and friendship of the world's largest democracy to the people of Illinois and the United States, the world's oldest democracy. As vibrant democracies, India and U.S. share many common values and aspirations. Our partnership today is based on our shared values, such as respect for rule of law, human freedoms, free and independent media, and a strong civil society. And at the heart of this partnership is the tremendous good will, friendship, and support at the people's level in our 2 countries. Indeed, a strong people to people connections are the key drivers of India-U.S. ties. synergies are immense, and the spirit entrepreneurship, excellence, service defines the best of our peoples. It is therefore no surprise that our partnership and joys be strong, bipartisan support both in India and in the United States. Mr. Speaker, India has celebrated the Festival of Democracy earlier this year with more than 650 million people participating in the general elections, making it world's largest democratic exercise. The people of India have repolled their faith in a strong and stable government. India is undergoing a profound social and economic change. With its economy of nearly U.S. dollar 2.7 trillion, India is ranked as a top investment destination and one of the fastest growing

70th Legislative Day

11/13/2019

economies in the world today. Under the leadership of Prime Minister Sri Narendra Modi the government has laid out a bold vision for India's development and to become a U.S. dollar 5 trillion economy in the next 5 years. India is a young country, Mr. Speaker, as you mentioned, with about 65 percent of India's population falling in the age group of 18 years to 35 years. India's young work force is gearing up for playing a major role in driving economic progress and development in India. The expanding Indian economy and India's population base offers a large consumer market, and a cost efficient labor force, and numerous opportunities for international partnerships. A number of transformative, far-reaching reforms and initiatives by the government of India are aimed at intrusion of technology, transparency, and efficiency in the process of socioeconomic development. In the next few years, we expect of a policy driven growth to make India emerge as an economic power house across the India-Pacific Region and beyond. Mr. Speaker, India-U.S. partnership is critical in translating India's bold vision for development into a reality. In India's development journey we see the United States as an indispensable partner. Today, India-U.S. partnership is exploding new horizons in diverse areas such as agriculture, health, education, energy, cutting edge joint research, technological innovation and knowledge partnership, businesses, defense, and security. Our bilateral trade has expanded rapidly and has increased to over U.S. dollar 140 billion in 2018. U.S. exports to India are growing at a much faster rate than Indian exports to U.S. We are importing U.S. good and natural gas, about U.S. dollar 4.5 billion every

70th Legislative Day

11/13/2019

year. Two-way investment between India and U.S. has raised about U.S. dollar 60 billion. A number of Indian firms have invested in the U.S., creating jobs and opportunities in different states in the U.S. Likewise, the U.S. firms continue to invest in the Indian market. Besides working together, Mr. Speaker, to advance our shared prosperity, we are expanding ties to address priority, our shared security. Our defense and security cooperation is... is stronger than ever before. India has been designated as a major defense partner of the U.S. The two countries now conduct more bilateral exercises, defense exercises with each other than they do with any other country. India and U.S. are working closely on regional international issues of global significance, be it fight against terrorism, oppression in the Indo-Pacific, maritime cooperation, or cybersecurity. The State of Illinois is the economic power house of the U.S. Midwest, and a national hub for global commerce, advanced manufacturing, agriculture technology, innovation, and knowledge ecosystem. India, Illinois enjoy a wide ranging partnership in areas such as trade, and economic cooperation, education, science, and technology. A large number of Indian students, Mr. Speaker, are pursuing studies in universities and colleges located in the State of Illinois. Enhanced two-way investments, partnership, technology innovation, and knowledge cooperation, commercial tie ups are propelling India-Illinois partnership to newer heights. Several major Illinois companies are already engaged with India. Similarly, Indian firms have expanded their presence in Illinois. We are

70th Legislative Day

11/13/2019

delighted to see positive growth in India-Illinois trade and investment ties. India welcomes Illinois-based businesses to invest in India and to harness tremendous opportunities that are available today in the rapidly growing and modernizing India. Mr. Speaker, all 4 million strong Indian American community has played and continues to play a role in crafting the India-U.S. critical partnership. They have been a bridge of understanding and friendship between our 2 countries. I've had the opportunity to visit several cities and towns in U.S. and Illinois state, meet with the U.S. elected Representatives, mayors of the town, and they share with me how the Indian American community been contributing to cities, political, civic, community, and business life. As in the United States where every town has an Indian connection, there is tremendous interest in India about the U.S., be it businesses, technology, education, science, arts, culture, or sports. The Indian American community in the State of Illinois continue to make significant contribution to the economic growth, political and civic life of the state, as also in fostering friendship between our 2 peoples. And I'm delighted to have some of the representative of the Indian American community in the viewing gallery today in this august House. The consulate in Chicago deeply value the strong support of the Illinois political leadership, businesses, academia, vibrant Indian American community, and people at every level to advance India-Illinois ties in all sectors. With your support, I'm confident that valuable India-Illinois partnership will scale new heights in the pursuit of our

70th Legislative Day

11/13/2019

shared dreams in the coming years. Thank you, (unintelligible)."

Speaker Harris: "Thank you, Mr. Consul General. The Consul General has indicated that he'll be here for a little while. If you would like to come down and greet him personally, and take some pictures, he'll be in the well. So, Members, please come down and greet our guest. Representative Windhorst, for what reason do you seek recognition?"

Windhorst: "Point of personal privilege, if it's in order."

Speaker Harris: "It is. Please state your point."

Windhorst: "I'm pleased to have with me today the 2019 IHSA Class 1A state softball champion team in the Lincoln side of the gallery, if they'd rise for us. They're the Goreville Lady Blackcats. They finished the season 31 and 9. In the championship game against Illini Bluffs, Goreville was down by 2 runs in the sixth inning. The Lady Blackcats scored 4 runs in that inning. Then in the final seventh inning, Goreville held the Bluffs scoreless for the win, a 4 to 2 win. And several members of the team are present as well as their coaches. We have with us Payton Sopczak, Samantha Licka, Adrianna Licka, Kelsey Ray, Emma Vaughn, Miley Kwiatkowski, Ellie Grammer, Destani Bennett, Chloe Wolaver, Abigail King, Kyleigh Massey, as well as head coach Shanna Green and assistant coach Johnie Edwards. If we could give them a warm welcome and congratulate their championship."

Speaker Harris: "Congratulations on your win, and welcome to your Capitol. Representative Kalish, for what reason do you seek recognition?"

Kalish: "Point of personal privilege."

70th Legislative Day

11/13/2019

Speaker Harris: "Please state your point."

"Just a few minutes ago I ... I spoke to my son who is Kalish: studying in school in Jerusalem. And I asked my son, I said, have you heard the air raid sirens? And he said, no, I have not heard the air raid sirens, but my friends who are studying in a different yeshiva have heard air raid sirens. And I just thought that it was important. You know, if any of you called your children and you ever asked that question, have you heard the air raid sirens from rockets being shot over, you would make a statement. So I'd like to make a statement on the floor that ... is ... the State of Illinois stands with Israel today. Many of our Congressmen and many of our Representatives have made statements recognizing that over 300 rockets have been fired into Israel from Islamic Jihad, and they have targeted hospitals, civilians, and schools. This is pure terror. And this is something that we as a Body should stand up against. We stand against terror, and we stand with the democratic State of Israel. So, thank you."

Speaker Harris: "Mr. Clerk, House Resolution 599, offered by Representative Keicher."

Clerk Bolin: "House Resolution 599, offered by Representative Keicher. Be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED FIRST GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate the DeKalb Fire Department on the 150th anniversary of its founding, recognizing its tradition of bravery and dedication, and wish it many more successful years; and be it further

70th Legislative Day

11/13/2019

RESOLVED, That a suitable copy of this resolution be presented to the DeKalb Fire Department as a symbol of our respect and esteem."

Speaker Harris: "Representative Keicher."

"Mr. Speaker, today the House will be adopting House Keicher: Resolution 599 to congratulate the fire department of the City of DeKalb on their 150th anniversary. The DeKalb Fire Department began as a volunteer only department in 1869 when Ulysses Grant was President of the United States. A Civil War general who called the City of Galina in Northwest Illinois home. Today, the DeKalb Fire Department consists of 3 fire stations with 52 sworn and 1 civilian employee. This department service area covers approximately 55 square miles, includes the City of DeKalb, Northern Illinois University, and the DeKalb Fire Protection District. I've had the opportunity to tour their facility, had the privilege of going on a call with the department, and celebrated with them last month at the Local Firefighters Ball. Our fire department is being called on more frequently with increasing calls to do more than just put out fires. The fire department provides emergency medical services, fire prevention, hazardous materials response, public education, and technical rescue services to the approximately 50 thousand people in their service area. I would like to recognize several members of the DeKalb Fire Department who are here with us today in the Speaker's Gallery. Deputy Chief Bart Gilmore, Captain Todd Stoffa, Lieutenant and Paramedic Jason Pavlak, Firefighter and Paramedic Patrick Eriksen, and Captain Luke Howieson. Thank you, gentlemen, for your service and dedication to the

70th Legislative Day

11/13/2019

- community. We are proud to recognize and celebrate your amazing anniversary with you here today. And welcome to you, in Springfield, as our guest. Thank you."
- Speaker Harris: "Representative Keicher moves for the adoption of House Resolution 599. All those in favor say 'aye'; those opposed say 'nay'. In the opinion of the Chair, the 'ayes' have it. And the Resolution is adopted. Under the Order of Agreed Resolutions, we have House Resolution 582, offered by Representative Bennett. And I will advise the Body this is a Death Resolution. Mr. Clerk."
- Clerk Bolin: "House Resolution 582, offered by Representative Bennett. Be it
 - RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED FIRST GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we mourn the passing of Lane M. Lindstrom and extend our sincere condolences to his family, friends, and all who knew and loved him; and be it further
 - RESOLVED, That a suitable copy of this resolution be presented to the family of Lane Lindstrom as a symbol of our respect and esteem."
- Speaker Harris: "Representative Bennett is recognized."
- Bennett: "Thank you, Mr. Speaker. We are saddened today to learn of the death of Lane Lindstrom of Pontiac, Illinois, who passed away on July 20, 2019. Lane dedicated his life to his passion for radio. He worked as a broadcast engineer for over 18 radio stations throughout his 45 year career. Among Lane Lindstrom's most celebrated work was his Friday afternoon oldies get together for which he brought classic oldies back to life for his many listeners each Friday afternoon. Provided

70th Legislative Day

11/13/2019

countless hours of entertainment for listeners from all over the United States who called in, messaged, and eventually became good friends. He demonstrated extraordinary dedication and love for his work and craft. Lane is proud of his work, his community, and his family. He always had a song in his heart, and one, of course, in queue ready to play. Lindstrom's family could not have asked for a better man to call husband, dad, or papa. In his own words, he said, 'If you do something you love, you will never work a day in your life.' And he never worked on a Friday. Lane Lindstrom is survived by his daughters, Liz and Shelly, his Allie, grandchildren, Rolen Jack and Berkley Marie. And if I may, Mr. Speaker, I would like to ask, please, for a moment of silence."

Speaker Harris: "The Body will take a moment of silence.

Representative Bennett moves for the adoption of House
Resolution 582. All those in favor say 'aye'; those opposed
say 'nay'. In the opinion of the Chair, the 'ayes' have it.

And the Resolution is adopted. Mr. Clerk, Committee Reports."

Clerk Hollman: "Committee Reports. Representative Gabel, Chairperson from the Committee on Appropriations-Human Services reports the following committee action taken on November 13, 2019: do pass as amended Short Debate is Senate Bill 1756. Representative Welch, Chairperson from the Committee on Executive reports the following committee action taken on November 13, 2019: recommends be adopted is Floor Amendment(s) 1... correction, Floor Amendment(s) 4 to Senate Bill 1863; recommends be adopted as amended is House Resolution 577. Representative Evans, Chairperson from the

70th Legislative Day

11/13/2019

Committee on Labor & Commerce reports the following committee action taken on November 13, 2019: do pass Short Debate is Senate Bill 471. Representative Zalewski, Chairperson from the Committee on Revenue & Finance reports the following committee action taken on November 13, 2019: recommends be adopted is Floor Amendment(s) 1 to Senate Bill 119. Representative Slaughter, Chairperson from the Committee on Judiciary - Criminal reports the following committee action taken on November 13, 2019: recommends be adopted is Floor Amendment(s) 1 to Senate Bill 1557. Introduction of Resolutions. House Resolution 1600, offered by Representative Butler, is referred to the Rules Committee."

- Speaker Willis: "Leader Willis in the Chair. Rules report, please, Mr. Clerk."
- Clerk Hollman: "Committee Reports. Representative Greg Harris, Chairperson from the Committee on Rules reports the following committee action taken on November 13, 2019: recommends be adopted, referred to the floor is Floor Amendment(s) 4 to Senate Bill 177, Floor Amendment(s) 6 to Senate Bill 659, Floor Amendment(s) 7 to Senate Bill 1300."
- Speaker Willis: "On page 2 of the program, please, Senate Bill 10. Mr. Clerk, please read the Bill. To... please return that Bill to Second Reading for the purpose of Floor Amendment."
- Clerk Hollman: "Senate Bill 10, a Bill for an Act concerning education. This Bill was read a second time on a previous day. No Committee Amendments. Floor Amendments 2 and 3 have been approved for consideration. Floor Amendment 2 is offered by Representative Crespo."

70th Legislative Day

11/13/2019

- Speaker Willis: "Representative Crespo is recognized regarding the Floor Amendment, please."
- Crespo: "Thank you, Speaker. The Amendment corrects a drafting error to Senate Bill 1952 by reinstating the provision that would allow the taking of a competency test to work as a paraprofessional in K through 12. Under Senate Bill 1952, which eliminated the need for a basic skills test, and while removing all references to basic skills, they inadvertently deleted this part, too. And this is basically reinstates it back to the School Code. And I ask for its adoption."
- Speaker Willis: "Representative, are you asking for a Floor Amendment 2 and 3, or just Floor Amendment 3?"

Crespo: "Just... just 3."

Speaker Willis: "Thank you for clarifying. Representative Crespo moves adoption of Floor Amendment 3. You need to withdraw Floor Amendment 2, please."

Crespo: "Please withdraw Amendment #2."

Speaker Willis: "Representative Crespo moves the adoption of Floor Amendment 3. All those in favor say 'aye'; all those... I think he... did you explain Floor Amendment 3? Was that what you just explained, Sir?"

Crespo: "Yes, I did."

Speaker Willis: "Thank you for clarifying. Representative Crespo moves adoption of Floor Amendment 3. All those in favor say 'aye'; all those opposed say 'nay'. In the opinion of the Chair, the 'ayes' have it. The Amendment is adopted. Any further Amendments, Mr. Clerk?"

Clerk Hollman: "No further Amendments. No Motions are filed."

70th Legislative Day

11/13/2019

Speaker Willis: "Third Reading, please. Mr. Clerk, please read the Bill."

Clerk Hollman: "Senate Bill 10, a Bill for an Act concerning education. Third Reading of this Senate Bill."

Speaker Willis: "Mr. Crespo is recognized on the Bill."

Crespo: "Thank you, Speaker. As I explained before, this is basically is a... correcting a drafting error. And I ask for your 'aye' vote."

Speaker Willis: "Representative Bourne is recognized."

Bourne: "Thank you, Madam Speaker. Will the Sponsor yield?"

Speaker Willis: "Indicates he will."

Bourne: "Thank you. Representative, I just want to draw attention.

The title on the screen is... has nothing to do with the underlying Bill, correct?"

Crespo: "Absolutely correct, yes."

Bourne: "And this is an agreed Amendment to change some tweaks that we made in testing of teachers last... when we were in Session previously?"

Crespo: "Correct."

Bourne: "This is agreed just to make sure that paraprofessionals can take the test and become paraprofessionals without the other..."

Crespo: "The other two requirements."

Bourne: "...60 hours of..."

Crespo: "Yeah."

Bourne: "Yes. I would like the Body to know this is agreed. This is a good thing. It was overlooked when we took out some of the teacher testing. Please vote 'yes'."

70th Legislative Day

11/13/2019

Speaker Willis: "Seeing no further discussion, Representative Crespo to close."

Crespo: "Just ask for your 'aye' vote."

Speaker Willis: "The question is, 'Shall Senate Bill 10 pass?'
All those in favor vote 'aye'; all those opposed vote 'nay'.
The voting is opened. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, please take the roll. On this question, there are 108 voting in 'favor', 100...
I'm sorry, 108 voting in 'favor', 5 voting 'against'. This Bill, having received the Constitutional Majority, is hereby declared passed. Continuing on page 2, Senate Bill 1857, Representative Gordon-Booth. Out of the record. On page 3, Senate Bill 119, Representative Zalewski. Representative Zalewski. Mr. Clerk, please read the Bill."

Clerk Hollman: "Senate Bill 119, a Bill for an Act concerning revenue. This Bill was read a second time on a previous day.

No Committee Amendments. Floor Amendment #1, offered by Representative Zalewski, has been approved for consideration."

Speaker Willis: "Representative Zalewski, is there an Amendment?" Zalewski: "Yes."

Speaker Willis: "Please proceed."

Zalewski: "Thank you, Madam Speaker. On Floor Amendment #1, I
 wish to adopt it. It becomes the Bill. It's a revenue omnibus
 Bill. I can explain it on Third Reading."

Speaker Willis: "Would you like to explain the Amendment?"

Zalewski: "It becomes the Bill, which has a number of issues related to revenue clean up."

70th Legislative Day

11/13/2019

Speaker Willis: "Okay, thank you. Representative Hurley, is this on the Amendment to this Bill? Okay. We'll get to you later.

Mr... Representative Zalewski moves adoption of Floor Amendment

1. All those in favor say 'aye'; all those opposed say 'nay'.

In the opinion of the Chair, the 'ayes' have it. And the Amendment is adopted. Any further Amendments, Mr. Clerk?"

Clerk Hollman: "No further Amendments. No Motions are filed."

Speaker Willis: "Third Reading. Representative Zalewski on the Bill."

Zalewski: "Thank you, Madam Speaker..."

Speaker Willis: "Please read the Bill. I'm sorry."

Clerk Hollman: "Senate Bill 119, a Bill for an Act concerning revenue. Third Reading of this Senate Bill."

Speaker Willis: "Representative Zalewski."

Zalewski: "Thank you, Madam Speaker. Senate Bill 119 becomes the Bill. It is a revenue clean up from the spring. At the end of spring, we did a lot of things. The chamber was very productive, but over the course of the summer the department, along with stakeholders, found some clean up. The major talking points of this legislation are the retailer... the retailer marketplace fairness, which finally brings us into compliance with the... a level playing field between Illinois remote... Illinois retailers, remote retailers, marketplace facilitators. We clean up any number of issues related to the Motor Fuel Tax. We clean up issues related to who has to file a 1099 if you're an individual taxpayer. We basically tightened up every aspect of the Revenue Code that we needed to do over the summer. I'm happy to answer any questions."

70th Legislative Day

11/13/2019

Speaker Willis: "On discussion on the Bill, Representative Sosnowski is recognized."

Sosnowski: "Thank you, Madam Speaker. Just have a couple questions for clarification. First one relates to the leveling the playing field and the related changes to the use tax in Retailers' Occupation Tax Act. It's my understanding that these proposals were contained in Public Acts 101-009 and 101-031, but were not done correctly. Is that right?"

Zalewski: "Correct."

Sosnowski: "And then this... in what was passed in the BIMP, really this enacts what we intended to enact last June."

Zalewski: "Yes, it enacts what we intended to enact last June.

And it... there's a number of important fixes to what we tried to accomplish. If you'd like I can list them, but if you're comfortable with the fact that they are being corrected, I can leave it there as well."

Sosnowski: "So we will now be enacting what we intended last spring and delivering on the promises we made to our local governments, public safety agencies, schools, the RTA, and our Illinois retailers. Is that correct?"

Zalewski: "Correct."

Sosnowski: "And then finally, it's my understanding... is this accurate... that these changes are made possible as a result of the Wayfair decision by the U.S. Supreme Court?"

Zalewski: "Correct."

Sosnowski: "Thank you very much."

Speaker Willis: "Representative Bourne is recognized."

Bourne: "Thank you, Madam Speaker. Will the Sponsor yield?"

Speaker Willis: "He indicates he will."

70th Legislative Day

11/13/2019

Bourne: "Thank you. Representative, I heard you, I think correctly, that this is a cleanup Bill from capital Bill and other Bills all put together. Is that..."

Zalewski: "Correct."

Bourne: "...A fair assertion?"

Zalewski: "Yes, that's correct."

Bourne: "Okay. I'm also seeing on our analysis that this amends the Vehicle Code and repeals the \$10 junking certificate fee that was enacted in the capital Bill. Was that a fee increase that you think was intended, not intended? I'm just wanting to know the thoughts behind that change."

Zalewski: "We... I... we were told that some Members of our caucus had concerns with the nature of that fee so we simply removed it at their request."

Bourne: "I think there are a lot of fees that Members in this Body had concerns about. I filed a Bill that has bipartisan support, House Bill 3851, because I believe there was a drafting error and many of us believe there was a drafting error in the fees that are charged on trailers, specifically trailers that we may have for recreational use. Including the really small trailers that motorcycles haul. It went from \$18 to \$118 for a small trailer. I know we've been lobbying all... advocating all summer for that to be included in a trailer and a cleanup Bill. I've been in conversations with folks at the Governor's Office. Is there a reason that was not included in this omnibus?"

Zalewski: "I... I'm told what we tried to accomplish... Avery, I'm told that what we tried to accomplish in this specific Bill were things that were... I don't want to use the word technical

70th Legislative Day

11/13/2019

in nature because they're beyond technical, but things that we felt were within the confines of a Veto Session vehicle that could survive the scrutiny of 71 in the House and 36 in the Senate. Quite frankly, I'm happy to work with you on the... in the spring on the concern you just raised. It was... in all honesty it was just told to me about your Bill. So, I'm happy to work with you in the spring to try to adjust it, to try to get parity with what you just described with what we're doing in 119."

Bourne: "I would... I would appreciate working on that. I was told by the Governor's Office it was included in a Bill that they thought was going to pass. So I think that this is absolutely doable. It was technical in nature to include... it was supposed to just be basically tractor trailers or semis but ends up impacting both the trailer that someone would haul their motorcycle on and the small trailer that they would haul behind it. So I would appreciate working with you. It's also important because we wanted to fix it before it goes into place January 1. So I look forward to working with you on a trailer trailer."

Zalewski: "Thank you, Avery."

Speaker Willis: "Representative Batinick is recognized for questions."

Batinick: "Thank you, Madam Speaker. Will the Sponsor yield?"

Speaker Willis: "He indicates he will."

Batinick: "Representative, can you give me clarification on the...
how we actually change the MFT for the counties?"

Zalewski: "There's a couple of things we do to that. So can you be more specific, Mark?"

70th Legislative Day

11/13/2019

Batinick: "Well it says it changes... it will be increased each year under by the rate of inflation. Currently, it's tied to the transportation fee index factor. So, it... currently the way it's written?"

Zalewski: "I'm told that what we're doing, Mark, is we're placing a factor, which is an artificial number, with the consumer price index."

Batinick: "I'm sorry. I'm sorry. Cross talk, I couldn't hear you."

Zalewski: "I'm told that we're changing the factor, which is an artificial number, with the consumer price index."

Batinick: "Okay."

Zalewski: "And it was requested by GOMB."

Batinick: "Okay. So is... all right, no further questions."

Speaker Willis: "Representative Reick is recognized for questions."

Reick: "Thank you, Madam Speaker. Will the Sponsor yield?"

Speaker Willis: "He indicates he will."

Reick: "Today in committee I asked the question as to whether the eight cent per gallon was a hard cap. I asked the Department of Revenue that and they said, yes, it was a hard cap. I've subsequently received some information that said IDOR just told us that they are revising their statement on the collar county MFT. This goes to what my previous speaker said. Apparently, the eight cent per gallon cap in law would be increased by inflation every year, therefore, the eight percent cap... eight cent cap was put into limit how high a county can go through. But, theoretically, if a county goes up to eight, CPI would increase that rate every year. Is that what you just basically said?"

70th Legislative Day

11/13/2019

Zalewski: "Madam... Madam Speaker, could you... I'm having a hard time hearing Representative Reick."

Speaker Willis: "Shhhhh."

Zalewski: "Always works. I'm told that that's the department's interpretation."

Batinick: "That if CPI takes it... it will increase above eight cents if CPI... it will go up by the CPI beyond the eight cents.

Is that what your understanding is?"

Zalewski: "That's what I've been told. Yes."

Batinick: "Okay. Thanks a lot. Bye."

Speaker Willis: "Representative Mazzochi is recognized for a question."

Mazzochi: "Thank you, Madam Speaker. Will the Sponsor yield?"

Speaker Willis: "He indicates he will."

Mazzochi: "I just have a question about page 22 of the Bill. And I want to make sure I understand what the language is doing. So, in subsection 2, you're calling for the data center has to make the capital investment of at least 250 million over a 60 month period commencing before January 1, 2020. And ending after January 1, 2020. So, what... and then in... so are you trying to say that..."

Zalewski: "Which lines, Deanne, are you reading from?"

Mazzochi: "Sorry?"

Zalewski: "Which... you're reading from page 22, which lines?"

Mazzochi: "Twenty two, lines nine to eleven."

Zalewski: "So we're not changing anything in that particular piece of the legislation."

Mazzochi: "Right, but it's talking about making the... what I'm confused about is... and I just want to understand the interplay

70th Legislative Day

11/13/2019

with the... with the changes that got made in subparagraph 3. So this 20... 250 million for a 60 month period commencing before January 1, 2020, and ending after January 1, 2020. So that's an investment that has to be made essentially within the next few weeks. And then item 3, you have or an existing... starting at lines 12 going through lines 15, or an existing data center making an upgrade makes a capital investment over a 60 month period beginning on or after January 1, 2020."

Zalewski: "So..."

Mazzochi: "So is that trying to basically extend the... have the practical effect of extending the January 1, 2020 deadline in subsection 2, in subsection 3 with the changes your making."

Zalewski: "I think what LRB was trying to accomplish there is we were told that we... what was requested of us was a technical fix to the data center legislation, which effectively said for existing data centers, could you be eligible for this credit? And they decided to write subsection... they decided to fix that by including the changes you're talking about... it's paragraph 3, so DCEO requested it and then we... LRB changed it by amending subsection 3."

Mazzochi: "Right. But it... it seems like... and again, just to be clear, it seems like at the very least the item in subsection 2, the 60 month period, would end roughly in 2025. And now in item #3, we're saying you just have to make the upgrade beginning on or after January 1, 2021. Now it's effectively an unlimited time period. So, I understand it still has to be over 60 months, but you could start that at any time period and it could end at any time period..."

Zalewski: "I..."

70th Legislative Day

11/13/2019

Mazzochi: "...as long as it is within five years."

Zalewski: "Yeah. I... we..."

Mazzochi: "It's just odd language. That's what I was saying."

Zalewski: "It is... I don't disagree that the way they chose to do it is a little quirky, but we... we feel, Deanne, that what it accomplishes is that it captures existing upgrades of data centers for prospective basis and... relative the enactment of the Bill. There's only a way... you can't retroactively give someone the tax credit."

Mazzochi: "Right. And... maybe we can kind of get it at this way. Is it your understanding that the point of this language is to essentially say, from the date of enactment going forward you will get the credit. If it's over 250 million, you have to take that credit within the 60 month window. But there's no sunset or other time limitation on when you have to initiate the process of taking the credit."

Zalewski: "We... we think you'd have to have made the investment, decided to do the upgrade within that time period."

Mazzochi: "Within... by January 1, 2020? Or under item 3, any time after January 1, 2020, as long as you will get it accomplished within five years?"

Zalewski: "Hang on, one second. Stand by."

Mazzochi: "Sure."

Zalewski: "Okay. Okay. So we're going to clean this up a little bit, Deanne. What... the existing... the intention of the original Bill was to close the door... quote, unquote close the door, for the January 2020 deadline for the previous investment. However, I guess DCEO was told that there are people... there are companies that want to make an additional investment into

70th Legislative Day

11/13/2019

the center, and we're giving them this extended window to do that. That's why the paragraph has to look the way it looks."

Mazzochi: "Right. And it strikes me that from the way... just so I'm clear, so it strikes me that in subpart 3, so page 22. I think it was lines 12 to 15. The basic point then is though, is that... because it says beginning on or after January 1, 2020, there's... this isn't a sunseted period, or they don't have to... under this statute they don't have to get it done by 2025, for example. They could make the decision in 2026, and then they've got until 2031 to make the upgrade and take advantage of the credit."

Zalewski: "Correct. You know that's not... that's not what's going
 to happen. And yes, you are correct by what you just said."
Mazzochi: "All right."

Zalewski: "And I would just say, this is what happens when the Revenue & Finance Chairman gets overriden and the data center Bill gets in the budget. Because now I've got to clean up all the stuff that I had... I didn't... I was working with. So, I'm just teasing you. I appreciate the questions."

Mazzochi: "All right. Thank you very much."

Speaker Willis: "Representative Zalewski to close."

Zalewski: "I ask for an 'aye' vote. Oh wait, I'm sorry. Madam Speaker, the... the Comptroller asked me to briefly mention that page 484, line 26 and page 485, line 1 reference the Business Services Special Operations Fund. This should reference the Department of Business Services Special Operations Fund. With that I ask for an 'aye' vote."

Speaker Willis: "The question is, 'Shall Senate Bill 119 pass?'
All in favor vote 'aye'; all those opposed vote 'nay'. The

70th Legislative Day

11/13/2019

voting is opened. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, please take the roll. On this question, there are 82 voting in 'favor', 29 voting 'against', 1 voting 'present'. Having received the Constitutional Majority, this Bill is hereby declared passed. Continuing on page 3, Senate Bill 460, Representative Crespo. Mr. Clerk, please read the Bill."

Clerk Hollman: "Senate Bill 460, a Bill for an Act concerning education. This Bill was read a second time on a previous day. No Committee Amendments. No Floor Amendments. No Motions are filed."

Speaker Willis: "Third Reading. Mr. Clerk, please read the Bill."

Clerk Hollman: "Senate Bill 460, a Bill for an Act concerning education. Third Reading of this Senate Bill."

Speaker Willis: "Mr. Crespo on the Bill, please."

Crespo: "Thank you, Madam Speaker. Last May we passed House Bill 3586, which would require that school districts provide parents with all pertinent information regarding their IEPs at least three days before the meeting. We heard from some school districts that had some concerns in terms of the implementation of the program, so we decided that we were going to amend... this Bill... basically, what it does, is delays the implementation of the program until July 1 of 2020, which allows the stakeholders to discuss and see if there's any improvements we can make to this. And also, would allow the State Board of Education to provide guidance. And I ask for your support."

Speaker Willis: "Representative Bourne is recognized on this Bill."

70th Legislative Day

11/13/2019

Bourne: "Thank you, Madam Speaker. Will the Sponsor yield?"

Speaker Willis: "He indicates he will."

Bourne: "Thank you. Representative, I appreciate your work on this. I know many of us have gotten concerns from our special education coordinators, so I appreciate your willingness to delay implementation and continue working. And I ask for the Body to vote 'yes'."

Crespo: "Thank you."

Speaker Willis: "Seeing no further discussion, Representative Crespo to close."

Crespo: "I just ask for your 'aye' vote."

Speaker Willis: "The question is, 'Shall Senate Bill 460 pass?'
All those in favor please vote 'aye'; all those opposed 'nay'.
The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, please take the roll. On this Bill, 113 have voted in 'favor', 0 voting 'against', 0 voting 'present'. Having received the Constitutional Majority, this Bill is hereby declared passed. Continuing on page 3, Senate Bill 639, Representative Gabel.
Mr. Clerk, please read the Bill."

- Clerk Hollman: "Senate Bill 639, a Bill for an Act concerning public aid. This Bill was read a second time on a previous day. No Committee Amendments. No Floor Amendments. No Motions are filed."
- Speaker Willis: "Third Reading. Representative... Mr. Clerk, please read the Bill."
- Clerk Hollman: "Senate Bill 639, a Bill for an Act concerning public aid. Third Reading of this Senate Bill."

Speaker Willis: "Representative Gabel on the Bill."

70th Legislative Day

11/13/2019

- Gabel: "Thank you, Madam Speaker. This is a technical change. It extends the required adoption date to July 1, 2020, instead of December 2019. This is for a program that will allow children who have lead poisoning to be able to be served in early intervention programs before they show delays."
- Speaker Willis: "Seeing no discussion, the question is, 'Shall Senate Bill 639 pass?' All those in favor please vote 'aye'; all those opposed vote 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, please take the record. On this question, there are 113 voting 'aye', 0 voting 'nay', 0 voting 'present'. Having received the Constitutional Majority, this Bill is hereby declared passed. Continuing on page 3, Senate Bill 667, Representative Guzzardi. Mr. Clerk, please read the Bill."
- Clerk Hollman: "Senate Bill 667, a Bill for an Act concerning regulation. This Bill was read a second time on a previous day. Amendment 1 was adopted in committee. No Floor Amendments. No Motions are filed."
- Speaker Willis: "Third Reading. Mr. Clerk, please read the Bill."

 Clerk Hollman: "Senate Bill 667, a Bill for an Act concerning regulation. Third Reading of this Senate Bill."
- Speaker Willis: "Representative Guzzardi on the Bill, please."
- Guzzardi: "Thank you, Madam Speaker. Thank you, Members. Senate Bill 667 is a measure intended to control the cost of insulin for patients who require it for the treatment of diabetes. Senate Bill 667 would implement a hundred dollar co-pay cap for all Illinoisans who have state regulated health insurance. So, it only applies to a certain subset of the

70th Legislative Day

11/13/2019

insurance market that the state is legally allowed to regulate. The Federal Government controls in a number of insurance bases, but those areas that we can regulate we'd like to impose this co-pay cap. As many of you know, the cost of insulin has risen dramatically in recent decades. The 30 day supply of insulin now costs, in many cases, upwards of a thousand dollars for people who are paying that entire cost. And of course, many people who have insurance have high deductible plans. And so, they are, for many months, until they reach their deductible, paying the entire cost of insulin straight out of pocket. So, we've heard stories of people rationing insulin, people whose diabetes has worsened, people who have lost their lives because they couldn't afford insulin. This Bill is not a complete solution to the problem of the high cost of insulin, and certainly not a complete solution to the high cost of prescription drugs. We look forward to working on further interventions in this area, but it's a start. For those people who have state regulated health insurance, this Bill will be a start to make sure their insulin is within their reach, that they don't get sick for lack of affordable medicines. I urge an 'aye' vote, and I look forward to any questions."

Speaker Willis: "Representative Thapedi is recognized for questions."

Thapedi: "Thank you, Madam Speaker. Will the Sponsor yield?"

Speaker Willis: "He indicates he will."

Thapedi: "Representative Guzzardi, we had quite a lengthy discussion about the ramifications of this Bill yesterday in committee.

70th Legislative Day

11/13/2019

Guzzardi: "We did."

Thapedi: "I think it would be very helpful if you would identify, and be very clear as to who this actually applies to, with respect to whose insulin costs are going to be capped at a hundred dollars per month. I know that you kind of glossed over it, but if you could be very, very specific in laying out exactly whose costs are going to be capped because every single diabetic that is insulin dependent, they're not going to have their cost of their insulin capped. So would you please be very particular about that."

Guzzardi: "Yeah. Unfortunately, that's correct. So people who get their health insurance through their employer, they're on what are called ERISA plans, and these ERISA plans are federally regulated, as are Medicare and Medicaid. And because they're federally regulated, the state is prohibited from imposing this kind of regulation. So, people who get there health insurance through their employer by and large are not going to be covered by this. People with Medicare and Medicaid are not going to be covered by this. It's people... certainly people who have state employee health insurance, which obviously we control, but also people who are buying their insurance on the exchange, those folks are often going to be buying into state regulated plans and they will be subject to this cost cap."

Thapedi: "The other question that I had in committee that I don't think that I really got a direct answer on, and this is at no fault of your own, is that, why is there such a large disparity in the cost of insulin here in the State of Illinois, more specifically, even the United States and

70th Legislative Day

11/13/2019

abroad? Even our neighbors to the North, the Canadians, are charging much less, apparently, for insulin. Apparently, some countries in Europe are charging much less for insulin. It's my understanding that there are several pharmaceutical companies that are essentially utilizing the same type of insulin, but yet charging different costs. Could you explain how... why there's that disparity?"

Guzzardi: "Sure, yeah. The exact same bottle of insulin costs sometimes 10 times as much as it does in the United States as it might in Canada or other neighboring countries. And a lot of that has to do with the way that those countries health insurance systems are structured. That because they have single payer or government run health insurance systems, those systems negotiate with the pharmaceutical companies and use the leverage of the entire buyer pool to drive those prices down. And in the United States, for instance, Medicare, which is our largest government run health insurance system, Medicare is prohibited by Federal Law from negotiating with drug companies on price. So, there are a lot of things that need to get fixed about pharmaceutical pricing in the states. That's a huge one, and that's a Congressional issue. But, because of the way our system is structured, the manufacturers are able to charge considerably higher prices in the United States and use those to make greater profits."

Thapedi: "Thank you for that clarification. My last question is, with respect to Senate Bill 667, as it exists right now, who are the proponents and who are the opponents of the Bill?"

Guzzardi: "Thank you. I meant to mention this in my introductory remarks. We have a wide ranging group of proponents. People

70th Legislative Day

11/13/2019

like the American Diabetes Association is obviously on the front lines of this issue. A number of consumer advocacy groups including the AARP that's been very vocal about this issue. A number of other health care groups who have led up the fight. Citizen Action has been down here and very vocally supportive. A wide range of groups have supported us. And as a result of the Amendment that has been appended to Senate Bill 667, it's my understanding that there are no groups in opposition to the Bill. The insurance industry has moved to neutral as a result of the hard work we've done on this Amendment."

Thapedi: "Well just as a matter of clarification, there are no opponents to the Bill?"

Guzzardi: "That is my understanding, yes."

Thapedi: "Thank you. And I urge an 'aye' vote, Madam Speaker."

Guzzardi: "Thank you, Representative."

Speaker Willis: "Representative Demmer is recognized."

Demmer: "Thank you, Madam Speaker. Will Sponsor yield?"

Speaker Willis: "He indicates he will."

Demmer: "Representative Guzzardi, as was previously mentioned, we had a good debate on this Bill in committee yesterday. I do want to ask a couple of these items that we talked about yesterday just to get them on the record here. The first question that I have for you is, are there other prescription drugs whose costs are set by State Law?"

Guzzardi: "There are... to my knowledge, there aren't."

Demmer: "So this is... this is a new policy that we're talking about here. I think it's an important distinction to make that we're talking about setting a new precedent, creating a new path

70th Legislative Day

11/13/2019

that individuals might come to Springfield and suggest that if we did this for insulin, that maybe we could do this for any number of other prescription drugs. And maybe you think that's a good idea that the government set these costs or prices, maybe you think it's a bad idea. Whatever the case is, we are talking about the first time in State Law we as a Legislature are going to decide how much something should cost. The second question I have is, is there anything in this Bill that would require an insurer to cover a specific type of insulin?"

- Guzzardi: "Yeah, and you brought this up in committee last night and I think it's something that is worth revisiting. And I'm certainly open to talking to you and others about working on this in next year's Legislative Session. So the cost caps portion of this Bill won't go into effect until 2021, so I think we've got... if we want to follow onto this legislation by requiring, for instance, that insurers not move drugs off their formulary as a result of this Bill, that's something that I'm very open to."
- Demmer: "But under the Bill, today, there's nothing to require an insurer to continue covering a type of insulin that they cover today, or to add a new insulin that comes on the market. They could choose, given this cost cap, to simply not cover insulin."
- Guzzardi: "I suppose they could choose to not cover any number of drugs if they chose not to, right."
- Demmer: "Right. And I... that's correct. And so, I think we should understand that as we come in and impose a cost cap on this type of drug, that we have not done with any other kind of

70th Legislative Day

11/13/2019

drug, that it may have other... that may lead to other types of decisions that insurers are going to make."

Guzzardi: "If you don't mind, Representative, just to add something that we also discussed in committee last night. First of all, to reiterate, the Insurance Council is neutral on this Bill. And the insurance industry in examining the Bill's affect in the State of Colorado, said that the Bill would have negligible effects on the insurance market. So I don't that you're likely to see them engaging in sort of radically different behavior than they are already engaging in."

Demmer: "The third item we talked about, and this was a result of an Amendment that was adopted. And I appreciate the work that you did to work through some of these issues and adopt an Amendment to address some of them. The Amendment moved an enforcement or oversight component out of the Attorney General's Office that was originally proposed, and into the Department of Insurance."

Guzzardi: "That's right."

Demmer: "So, the Department of Insurance now is charged with putting together, I think in the next year or sometime, putting together a study of pricing practices and making some policy recommendations. Do they have any enforcement capability? Do they have any extra authority like the Attorney General's Office would have had? Or, is the function of the Department of Insurance simply to prepare a report?"

Guzzardi: "Yeah, it's the latter. And just to be clear about that, the Attorney General's Office spoke to us about their concerns with the Bill. And they said that they were... they pursue

70th Legislative Day

11/13/2019

investigations of their own volition and weren't interested in the General Assembly mandating them to pursue such and that they also aren't in the business of making this kind of reporting to the Legislature, generally. They like to conduct their investigations at their own timeline and so on, and so forth. So, we decided to have the department do this work, to use the publically available information and the expertise within the department to provide us with some next steps. As I said, this Bill I don't think does enough, even though it's a great first step, and they'll provide us with a good road map forward."

Demmer: "Thank you for that answer. You mentioned that the department will assemble this report based on publically available information or information that they already have access to. Does anything in this Bill allow the Department of Insurance to subpoena or compel information to be produced?" Guzzardi: "No. No, it doesn't."

Demmer: "Okay. Thank you. Madam Speaker, to the Bill. You know, I think many folks on both sides of the aisle are concerned with the rising cost of pharmaceuticals. As drug companies continue to make new products that are used for a wider and wider variety of health conditions, more and more people have an experience where they have to find out what their insurance covers. If they have insurance, what kind of coverage is offered for pharmaceutical benefits, what the cost to them is going to be. Sometimes they try different kinds of drugs before they find one that works affectively for them. And we're... we should be rightfully concerned with what the cost of overall health care is. The problem that I see with this

70th Legislative Day

11/13/2019

Bill is, first, that it's a significant departure from where the state has operated before in that we don't, as a Legislature, set the prices of things. We don't establish the cost of a prescription drug in state statute. That should be a concerning step for many of us to take because it opens the door to say, how much should any other pharmaceutical product cost? How much should any other prescription drug cost? Is that really something that a Legislature should set through State Law? I think a lot of folks would argue no, that's not the appropriate place to look. The other really important component of this is it really doesn't do anything to address the cost of pharmaceuticals. It's looking at pharmaceutical supply chain that involves a manufacturer, a wholesaler, a PBM, an insurer, a pharmacy, a prescriber, all the way down to the patient who ends up taking the product. That's a long and complex chain and at each point in that chain, every relationship that exists, every contract that exists, there are pressures, there are countervailing pressures. If we raise the price to this level, this will happen. If we lower it to this level, that will happen. Here's what competitive products are in the market. Here's what alternatives individuals have. Here's what kind of insurance coverage these individuals have. We have to understand that you can't intervene in that chain. You can't squeeze at one point of that balloon and expect that it's not going to push those costs someplace else. So what's really happening here is we're arbitrarily picking a hundred dollars. We're arbitrarily picking that it should be a 30 day supply out of pocket limit. And we're ignoring the entire rest of that supply chain. We're

70th Legislative Day

11/13/2019

really not doing anything except shifting the cost from one point, to a slightly different point on the map. We need to make a... take a more comprehensive look at not just what the State of Illinois can do, but also what kind of work we can do with our federal partners to try to address the problematic and growing situation of rising pharmaceutical drug prices. We want to make sure that every individual who needs health care, whether it's the kind of care that's delivered in a doctor's office or a hospital, or it's the kind of health care that they take through a medication that they administer at home. We want to make sure that people have access to those. But, trying to come through in a very complex situation and write a extremely short Bill that just looks at one slice of the pie, I think ignores a larger problem and potentially sets us up in a situation where insurers or whoever we decide to ship this cost to, they're going to have to make decisions about, do premiums go up? Do deductibles go up? Do we have further products that are not covered? Can we add the new insulin, the new products to our covered formulary? Where else is this going to go? This does not relieve pressure, it just shifts it. And so, we should look at larger, more comprehensive solutions instead of some of these that feel like they're... really oversimplifying a more complicated issue. Thank you."

Speaker Willis: "Members, we have a number of people that want to be heard so I am going to start by putting the timer on.

Representative Davidsmeyer is recognized."

Davidsmeyer: "Thank you, Madam Speaker. Will the Sponsor yield?" Speaker Willis: "He indicates he will."

70th Legislative Day

11/13/2019

- Davidsmeyer: "Thank you. I... we had a conversation a couple of weeks ago when we were in Session about this Bill, and I think... obviously, I think that we all agree here that there's a problem with the inflated cost of insulin. My biggest concern was that we are going after a symptom, and not the cause of the problem. I'm told that this will only have an affect on 20 percent of those insured. Is that correct?"
- Guzzardi: "That's the estimates, yeah. And I got to tell you, I agree with you totally that we're going after a symptom and not the root cause. I think the root cause is the escalating list price from the manufacturers. Representative Demmer is right that there's a whole lengthy supply chain, but the cost at the end of that chain starts by the fact that the list price from the manufactures has gone up a thousand percent. A thousand percent, in the last 15 years. So, yes, this does not address that root cause. And I look forward to coming back here in future years and working with you all to address the root cause of rising list prices from pharmaceutical manufactures. This addresses a symptom, and I think it's a symptom that unfortunately is very urgent for a lot of people and needs addressing right now."
- Davidsmeyer: "And the easier thing is to make the insurers pay for it than to make the manufacturers decrease the costs, correct? I mean, that's what this is basically saying."
- Guzzardi: "Well, it's legally challenging for us. As you may recall, a couple years ago I had a Bill in this chamber about price gouging in the generic drug space. And that legislation was struck down in court because they said you're not allowed

70th Legislative Day

11/13/2019

to tell the manufacturers about pricing because it interferes with interstate commerce."

Davidsmeyer: "Yeah."

- Guzzardi: "So, we're trying to think creatively about how to work on that challenge. But, yes, this is something we can do today, right now for some people in this state who desperately need a medicine they can't afford. So it's what I'm willing to do now and it's what we can accomplish right now."
- Davidsmeyer: "So, you're bringing this Bill forward, and you're setting an artificial number. A hundred dollars is very arbitrary. Isn't that correct?"
- Guzzardi: "It is based on the research available to us, yes."
- Davidsmeyer: "Okay. So an arbitrary number. Are we going to be coming back with all drugs? Are you going to be trying this on all different types of drugs, all different types of diseases in the future one at a time?"
- Guzzardi: "I can't speak to the Bills that other Members might bring before this Body in the future. I can only speak to the effect that this Bill is going to have on sick people who need medicine today."
- Davidsmeyer: "Because I want to support this, I just want to ensure that we're not coming back for every single disease, every single drug because this could get pretty hairy. I think we need to go, and I think you would agree, that we need to go after the source. I think we need to work with Federal Government. I think our Attorney General needs to work with Democrat and Republican Attorney Generals throughout the nation. We can go after these drug manufacturers as states if combine together and say we're not going to allow this to

70th Legislative Day

11/13/2019

happen. We're going to destroy... I mean I'm not talking about destroying their entire market, but I'm saying, you have to say, look, we're watching what's going on, our constituents are affected by this and you're going after people unfairly. I think we both agree on that. I'm going to support this today, but I want... I want to ensure that we're not doing this for every single drug that comes along, every single issue because there are a lot of high priced drugs out there, and some of them fairly legitimately. I think these drugs have been around long enough that they are artificially high priced and that's why I'm going to join you on this. So..."

Guzzardi: "Thank you."

Davidsmeyer: "...at this point, I'm going to vote 'yes'. I'm reluctant because we're going after a symptom and not the cause, but we're going to go after the cause and I'm going to work with you to get there. Thank you."

Guzzardi: "I look forward to it. Thank you."

Speaker Willis: "Leader Harris back in the Chair."

Speaker Harris: "Representative Skillicorn."

Skillicorn: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Harris: "She indicates she'll yield."

Skillicorn: "Representative Guzzardi, fill me in on what other states have taken similar action like this."

Guzzardi: "So... we are introducing this Bill in large part because we were inspired by our colleagues in Colorado who passed legislation to this effect in the spring, and a number of other states have introduced similar legislation since that Colorado Bill passed. I'll tell you that there are also a number of states that already have on the books co-pay caps

70th Legislative Day

11/13/2019

- that are universal across their prescription drug benefits that are state mandated."
- Skillicorn: "So, only one state has adopted this. What's the effective date of the Colorado legislation?"
- Guzzardi: "That's a very good question that I don't know off the top of my head."
- Skillicorn: "Thank you. To the Bill. So Colorado passed this just a few months ago. My concern is that we don't know what the result is in Colorado. So our experience in simple economics is that price controls don't work. Price controls lead to a lack of supply. The lack of supply in valuable drugs is very dangerous. There are people that depend on this. I fear that what happens is the worst thing is possible is that either insurance companies don't cover it or pharmacies don't stock it. And that's significant. I would love it if we could see what happens in Colorado, let another state take the risk. But we are foisting risk upon our constituents. If we pass this on the day of the effective date, the shelves are empty, people could die. And that's a big deal, so that's something that I don't want to take that risk. We must remember price controls lead to a lack of supply. Price controls have never, ever, ever, ever worked. So, I urge a 'no' vote. Thank you."
- Speaker Harris: "Ladies and Gentlemen, before we proceed to next speaker, I just wanted to acknowledge the presence of the Treasurer of the State of Illinois, Mike Frerichs has joined us on the floor. And Representative Mazzochi for five minutes."
- Mazzochi: "Thank you. To the Bill. Again, I just want to remind the caucus that I have spent 20 years of my private sector

70th Legislative Day

11/13/2019

career figuring out ways to cut drug prices because I've represented generic drug companies, and getting generics on the market is the only way that you are going to actually make drug products more affordable. More competition leads to a reduction in prices. The reason why industry players are neutral on this Bill is because they know it's really not going to actually cut costs. It's going to redistribution of costs, it's going to shift them from one player to the other, but the players are still going to get paid. You know the fact that we're making consumers feel better about it because they're not going to actually see all the money that they're still paying, because it'll be hidden in the form of a higher deductible or a higher premium, doesn't actually solve the problem. And as I've explained many times both in the affordability and prescription drug committee as well as on this floor, if we want to actually reduce the price of drug costs we need to enhance competition, and we also need to get rid of the rebate structure and the tier status and the contracting limitations that allow the players to play the games and keep the costs that should actually get passed on to consumers. When it comes to this particular Bill, for insulin, the reason why the list price of not only this drug, but many other drugs keeps going up is because we, the government, make that part of our policy. By insisting, for example, that Medicaid and Medicare recipients don't need to pay anything, can't pay a co-pay, what do we do? We shift that burden to the next higher class of payers. Whether it's the 20 percent of insurance payers here, whether it's individuals on private plans. Again, we're shifting

70th Legislative Day

11/13/2019

cost, we're not reducing cost. We also know that when it comes to the list prices, those aren't ever the prices that actually get paid. Why? Because again, they get dealt with through rebates, through formulary status, through tier status. They don't actually lead to a reduction in what the manufacturers are taking in the door, what the PBMs are taking in the door, and what the insurance companies ultimately get through the door. So, I really do wish that instead of parading that we're somehow doing something to help consumers, we would actually do the real work, the hard work, that's going to make real alternatives available that will actually drive the cost down. This Bill is not going to do it. Thank you."

Speaker Harris: "I'd also like to recognize the fact that the Lieutenant Governor of Illinois, Juliana Stratton, has joined us on the floor today. Representative Willis for five minutes."

Willis: "Thank you, will the Sponsor speak... yield, please?"

Speaker Harris: "He indicates he'll yield."

Willis: "Representative, you know when you introduced this Bill I was very excited by it. And then, part of that is I have a daughter who is a type 1 diabetic and I am sad that I wasn't able to make the committee meeting yesterday. I heard that there was quite a bit of robust debate on this. But one of the things that comes up... came up I heard from debate was that people said well, people that have diabetes, it's their own fault, they should be able to control it by diet. Was that correct? Was that said yesterday?"

Guzzardi: "I don't recall hearing that in committee." Willis: "Oh, good."

70th Legislative Day

11/13/2019

- Guzzardi: "I hope it wasn't, because I know it's certainly not true of people with many forms of diabetes, including type 1 like your daughter has."
- Willis: "And those with type 1 diabetes are... do they have an alternative other than insulin?"
- Guzzardi: "Not to my knowledge, no."
- Willis: "Right. And what happens if you do not take insulin or the appropriate amount of insulin?"
- Guzzardi: "Well, Representative, I'm reluctant to bring this up, because I know this is very personal for many people on this floor and who are listening to this debate. But, I spent a lot of time over the last couple of years working on this issue and have spent time with a number of parents and family members who have lost loved ones to insulin rationing because they simply couldn't afford the medicine that they need to simply to stay alive. And I know it's touched many of us personally, touched many of our constituents, but insulin is like oxygen to people with type 1 diabetes, and without it the health consequences are very severe."
- Willis: "You're correct. And that is actually one of the things. And as a parent of a young adult, that was my biggest fear once she was off of my insurance. And she is one of those that, unfortunately, has an insurance that has a very high deductible, it's over \$3 thousand a year. Which means the first couple of months her bills for her insulin are skyrocketed. They're absolutely atrocious. And even though she is out on her own and is now newly married, I am still helping her pay those bills. But she's fortunate, she's got me in her camp for her. There are many people that don't have

70th Legislative Day

11/13/2019

that. So to the Bill. Yes, this isn't going to help everybody, but if it can help one or two people be able to afford the cost of insulin, this is what we need to do. We need to do something to address it. We cannot continue to put our head in the sand and ignore what's going on with this outrageous increase in cost. I know... also I have been talking to Senator Durbin and I know that he also is moving a Bill very similar to this through the Federal Government. So then, hopefully, we can have something that goes nationwide to address this. Nobody should have to make the choice of buying lifesaving insulin or being able to afford their rent. This is not a choice we should have in the United States. I strongly urge everyone in this House, especially for those that have family members that are type 1 diabetics that depend upon insulin, vote 'yes' on this. Thank you so much."

Speaker Harris: "Representative Guzzardi to close."

Guzzardi: "Thank you. Thank you all for the robust debate. And I want to just follow on a couple of the points that were made, which is to say that, yes, this Bill does not address the root causes of high insulin prices or high pharmaceutical prices. The root cause of those high prices is the rapacious need for profit of the pharmaceutical manufacturers who are making record profits, quarter upon quarter, who spend twice as much money buying T.V. commercials as they spend researching new drugs. And those companies are charging more and more for insulin every year, and it's getting farther and farther out of reach for people who desperately need it. So, I look forward... you all know that I started the committee on Prescription Drug Affordability & Accessibility specifically

70th Legislative Day

11/13/2019

to work on this issue. And I look forward to working with many of you on this issue going forward to attack those root causes of high drug prices. But the opportunity we have with the Bill before us today is to propose a solution for some people that will help them immediately. That will cap these costs so that they're not in the situation that Representative Willis described of paying thousands of dollars out of pocket for a medication that they need to stay alive. It's a solution that will affect the lives of thousands of people in this state. It is not comprehensive, I will keep working on this issue, you will all have my commitment to that. But it is a start, and it's a start that we would be remiss in not embarking upon today. So I appreciate the debate and I urge an 'aye' vote."

Speaker Harris: "The question is, 'Shall Senate Bill 667 pass?'
All those in favor vote 'yes'; those opposed vote 'no'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Reick. Wheeler. Mr. Clerk, please take the record. With a vote of 100 voting 'yes', 13 voting 'no', and 1 voting 'present', Senate Bill 667, having received a Constitutional Majority, is hereby declared passed. Representative Jones, Senate Bill 670. Mr. Clerk, please read the Bill."

Clerk Hollman: "Senate Bill 670, a Bill for an Act concerning regulation. This Bill was read a second time on a previous day. Amendment 1 was adopted in committee. No Floor Amendments. No Motions are filed."

Speaker Harris: "Representative Jones."

Jones: "Thank you, Mr. Speaker."

70th Legislative Day

11/13/2019

Speaker Harris: "I'm sorry. Sorry... Third Reading. Representative Jones."

Jones: "Thank you, Mr. Speaker. I rise to present Senate Bill 670. Senate Bill 670 is a... an initiate..."

Speaker Harris: "Representative, I'm going to have to interrupt you again."

Jones: "That's fine."

Speaker Harris: "I got a little out of order. Mr. Clerk."

Clerk Hollman: "Senate Bill 670, a Bill for an Act concerning regulation. Third Reading of this Senate Bill."

Speaker Harris: "Now, Representative Jones."

Jones: "And now we're on. Thank you. Senate Bill 670 is an initiative of the Department of Insurance and the National Association of Insurance Commissioners. This Bill allows... creates the Corporate Governance Annual Disclosure Law, which requires an insurer, or the insurance group, no later than June 1 of each calendar year to submit to the Department and the Director of Insurance a corporate governance annual disclosure form that contains information regarding the insurers corporate governance structure, policies, and practices. While this was passed in 44 other states in 2014, this is the first time this Corporate Governance Act will be passed in the State of Illinois. I'm available for any questions."

Speaker Harris: "Representative Brady."

Brady: "Thank you very much, Mr. Speaker. Will the Sponsor yield?" Speaker Harris: "He indicates he'll yield."

Brady: "Representative Jones, just a point of clarification, and I brought this to your attention yesterday. For the purpose

70th Legislative Day

11/13/2019

of legislative intent in this new article of the Insurance Code that's added by this Bill, I'm assuming that it states where it says the term insurer that that's the same meaning given to the term insurer in the new Section. I just want to confirm that the Section 2 that it refers to is Section 2 of the Illinois Insurance Code. Is that correct?"

Jones: "Yes, it is correct."

Brady: "Thank you very much. And I intend to vote 'yes' for your Bill."

Jones: "Thank you."

Speaker Harris: "Representative DeLuca."

DeLuca: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Harris: "He indicates he'll yield."

DeLuca: "Representative Jones, I have one question for the purpose of legislative intent. Does this Bill require farm mutual insurance companies to disclose their corporate governances?"

Jones: "Representative, no, farm mutual insurance companies are only subject to Articles 10 and 25 of the Illinois Insurance Code, and any statute where they specifically identified. This Bill, Senate Bill 670, is in Article 8.3, and it does not specifically identify farm mutual insurance company, and it does not apply to them at all."

DeLuca: "Thank you very much. Appreciate your answer."

Jones: "Thank you."

Speaker Harris: "Representative Jones to close."

Jones: "Thank you, Mr. Speaker. I ask for a 'aye' vote."

Speaker Harris: "The question is, 'Shall Senate Bill 670 pass?'
All those in favor vote 'aye'; those opposed vote 'no'. Voting is open. Have all voted who wish? Have all voted who wish?

70th Legislative Day

11/13/2019

Have all voted who wish? Have all voted who wish? Harper. Mazzochi. Mr. Clerk, please take the record. With a vote of 114 voting 'yes', 0 voting 'no', 0 voting 'present', Senate Bill 670, having received the Constitutional Majority, is hereby declared passed. On page 4 of the Calendar appears Senate Bill 718, Representative Williams. Mr. Clerk, please read the Bill."

Clerk Hollman: "Senate Bill 718, a Bill for an Act concerning safety. This Bill was read a second on a previous day. No Committee Amendments. No Floor Amendments. No Motions are filed."

Speaker Harris: "Third Reading. Please read the Bill."

Clerk Hollman: "Senate Bill 718, a Bill for an Act concerning safety. Third Reading of this Senate Bill."

Speaker Harris: "Representative Williams."

Williams, A.: "Thank you, Mr. Speaker. This is a very simple cleanup. What we've done is... last year you may recall, we transferred the Drycleaner Environmental Response Trust Fund to the EPA. However in doing so, based on the effective date of the Act, we had some license fees that were expiring at the wrong time, before the transfer would take place. So in order to make sure the monies are transferred appropriately, we simply changed the effective date just for that Section. Happy to answer any questions."

Speaker Harris: "Seeing no questions, the question is... seeing no questions, the question is, 'Shall Senate Bill 718 pass?' All those in favor vote 'yes'; those opposed vote 'no'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Flowers. Mayfield. Mr. Clerk, please

70th Legislative Day

11/13/2019

take the record. With 113 voting 'yes', 0 voting 'no', 0 voting 'present', Senate Bill 718, having achieved a Constitutional Majority, is hereby declared passed. On page 4 of the Calendar appears Senate Bill 2104, Representative Zalewski. Mr. Clerk, please read the Bill."

Clerk Hollman: "Senate Bill 2104, a Bill for an Act concerning regulation. This Bill was read a second time on a previous day. Amendment 1 was adopted in committee. No Floor Amendments. No Motions are filed."

Speaker Harris: "Third Reading. Please read the Bill, Mr. Clerk."

Clerk Hollman: "Senate Bill 2104, a Bill for an Act concerning regulation. Third Reading of this Senate Bill."

Speaker Harris: "Representative Zalewski."

Zalewski: "Thank you, Mr. Speaker. House... Senate Bill 2104 extends the Pharmacy Practice Act and additionally incorporates any number of measurers into the Pharmacy Practice Act that were the product of a long, hard, good task force effort by the Pharmacy Task Force. It addresses anything from the amount of time a pharmacist can work to ensure patient safety, to discontinuing computer systems that discontinue expired medications. I'm proud that we were able to get this legislation done, thanks in part to leadership of Representative Mary Flowers. And I would ask for an 'aye' vote."

Speaker Harris: "Seeing no questions, the question is, 'Shall Senate Bill 2104 pass?' All those in favor vote 'aye'; those opposed vote 'nay'. Voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, please take the record. On a vote of 113 voting 'yes', 0

70th Legislative Day

11/13/2019

- voting 'no', 0 voting 'present'. Senate Bill 2104 is hereby declared passed. On page 3 of the Calendar appears Senate Bill 177, Representative Davis. Mr. Clerk, please read the Bill."
- Clerk Hollman: "Senate Bill 177, a Bill for an Act concerning State government. This Bill was read a second time on a previous day. Amendment 1 was adopted in committee. Floor Amendments 2 and 4 have been approved for consideration. Floor Amendment #2 is offered by Representative Davis."
- Speaker Harris: "Representative Davis. Representative Davis."
- Davis: "Sorry, Mr. Speaker. Ladies and Gentleman, what we have is..."
- Speaker Harris: "So, Floor Amendment #2 is offered by Representative Davis and has been approved for consideration."
- Davis: "Thank you, Mr. Speaker. I move to adopt House Floor Amendment #2. And... do you want me to do them individually or all at once?"
- Speaker Harris: "We have..."
- Davis: "The... I believe there are two Amendments we'd like to adopt, and one we'd like to withdraw."
- Speaker Harris: "I am told by the Clerk, Representative, #3 is not before us, so we have numbers 2 and 4."
- Davis: "Okay. Then I move for the adoption of Floor Amendment #2 to Senate Bill 177."
- Speaker Harris: "Representative Davis has moved for the adoption of Floor Amendment 2 to Senate Bill 177. All those in favor say 'aye'; those opposed say 'nay'. In the opinion of the Chair, the 'ayes' have it. The Amendment is adopted.

70th Legislative Day

11/13/2019

Representative Davis on Floor Amendment #4 to Senate Bill 177."

Davis: "Thank you very much, Mr. Chair. I also move for the adoption of House Floor Amendment #4 to Senate Bill 177."

Speaker Harris: "Seeing no questions, Representative Davis moves for the adoption of... Floor Amendment 4 to Senate Bill 177.

All in favor say 'aye'; opposed say 'nay'. In the opinion of the Chair, the 'ayes' have it. The Amendment is adopted.

Anything further, Mr. Clerk?"

Clerk Hollman: "No further Amendments. No Motions are filed."

Speaker Harris: "Third Reading. Please read the Bill.

Clerk Hollman: "Senate Bill 177, a Bill for an Act concerning State government. Third Reading of this Senate Bill."

Speaker Harris: "Representative Davis on the Bill."

Davis: "Thank you very much, Mr. Speaker. I move… we'll we've already moved the Amendments, so I apologize. So, I'd like to present for you Senate Bill 177, which comprises several changes to a Bill that was previously signed by Governor Pritzker, and that was I believe Senate Bill 534. Senate Bill 177 seeks to make changes to that Bill. And it's a trailer Bill, again, for Senate Bill 690, as well Senate Bill 534, which passed during the prime Legislative Session. Senate Bill 690 covers the Illinois Works Jobs Program, which is part of Rebuild Illinois, the state's first capital program in 10 years. As the state begins to release funds for statewide capital projects, Illinois Works will ensure all residents have access to capital projects and careers in construction… in the construction industry and building trades, and especially for those who have been historically

70th Legislative Day

11/13/2019

underrepresented in those trades. Illinois Works includes a apprenticeship participation pre-apprenticeship program, goals, and a DCO administered bid credit program modeled after the program that currently exists with the Illinois Tollway. Senate Bill 177 seeks to make some of the following changes. It will allow for Department of Commerce and Economic Opportunity emergency rule making authority in order to more quickly implement the Illinois Works Jobs Program. It'll add \$500 thousand floor for projects eligible apprenticeship goals. The goal of this floor is to focus attention on bigger capital projects. With the respect to apprentices, we are taking the approach that bigger projects more personnel, have more opportunities apprenticeships. It expands the Illinois Works Review Panel from the capital plan by one, increasing the number of legislative appointments, and two, including the additional responsibility of reviewing and evaluating ideas to increase diversity in active apprenticeship programs. Requires the state contracts... it requires that state contracts specify that minority owned businesses must perform a 'commercially useful function' for their work to be counted toward the goals of the program. This change is intended to strengthen state contracts, guard against fraud, and ensure that the very businesses, The BEP Act, which is the Business Enterprise Program Act, aims to promote, have opportunities to do the work they are contracted to do. Additionally, it returns the criminal penalty for minority certification fraud from a Class 1 to a Class 2, so that the state is not disincentivizing minority contractors from being certified. It

70th Legislative Day

11/13/2019

enables the state to accept certifications from Cook County, City of Chicago, and other units of local government with requirements in procedures equaling or exceeding that of the State of Illinois. And it removes the fees required to apply for a waiver from participation goals, which was added by 534. But it leaves in place other criteria added to the waiver process by 534, which requires requesting vendors to establish why a waiver is needed, and likewise requires agencies to review those reasons when determining whether the waiver should... should be granted. Those are, I think, some of the major highlights. With that point, I'd be more than happy to answer any questions."

Speaker Harris: "Representative Wheeler."

Wheeler: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Harris: "Indicates he'll yield."

Wheeler: "Representative, we had a very good discussion about this Bill yesterday in committee. I... I really appreciate how that went. I want to put a few things upon the record here for the whole Body, if that's okay with you?"

Davis: "Absolutely."

Wheeler: "Thank you. I want to start off with the consensus of...
well there's an incentive process. The way I look at this,
this bid credit, the contractors would be able to accumulate
by using apprentices in these projects. Is that a fair
representation of that?"

Davis: "Yes."

Wheeler: "And that's something they'd use on future bids that could go in front of these different organizations for future

70th Legislative Day

11/13/2019

projects, so they'd be accumulating something that they'd be able to... effectively chips they could use later?"

Davis: "Correct."

Wheeler: "And those are based on how many hours that the apprentices work on those projects."

Davis: "That is what we learned yesterday, yes."

Wheeler: "And that could be... there's some rules that are going to be flushed that might explain that more clearly, right? That are not specifically written in this legislation."

Davis: "Right. We talked about that, in particular about the rules process. Knowing that you are on JCAR, I'm sure you will make sure the rules are appropriate to that process."

Wheeler: "Yes. So I just want to point out to the Body here that this does permit emergency rule making. We're authorizing that today on purpose, which is the right way to go about this. This needs to be done in a quick time, and at the same time we're authorizing that as a Body for JCAR to do that, so thank you for doing that. Will, I want to talk about the actual... there's one ethics issue I do want to bring up here. Mainly the ethics, but it has an optics of it. With respect to a contractor or subcontractor that has reported falsified records to DCO, in order to obtain these bid credits that we're talking about. The original statute said 'shall', now we're going to 'may'. And I know there's a flexibility issue, I'd like you to comment on that if you would, please."

Davis: "Well, while we certainly want to make sure that we're going about this the right way, I think the change from 'shall' to 'may' offers the department a little more flexibility. We know that they're... and the 'shall' or 'may'

70th Legislative Day

11/13/2019

is in regard to the hearing process. So, initially it was 'a hearing shall' happen. So we changed that to 'may' to give the department the ability to be able to review things appropriately. On some of these they probably can say, yes, the waiver should happen without out a hearing process, and on some they probably say, we need more information. Let's have a hearing so that we can flesh out exactly why you want the wavier to make sure we're making the appropriate decision. I'm sorry... I'm sorry, Representative. Are you talking about with regard to the barring of contractors?"

Wheeler: "Correct, yes."

Davis: "Okay. So... so, I think what we're attempting to do there, is again, offer the flexibility of DCEO with regard to looking a contractor, and instead of just necessarily automatically barring them, some flexibility. Maybe they can't participate for a period of time, or maybe some other type of punishment other than completely removing them. I think one of the things that we have to recognize, at least right now as we walk into this program, there are only a certain number of larger contractors that have the capacity to do these large projects. And we want to make sure, obviously, that they are good actors and that they're doing things the right way. But, we want some flexibility that if we... if it appears maybe they're doing something they shouldn't... shouldn't be doing, that instead of completely eliminating them, that maybe we might suggest that they don't do any work for a period of time in... with state projects."

Wheeler: "Yeah. And I think, will, that could also be something that's taken up in a administrative rule process that would...

70th Legislative Day

11/13/2019

JCAR could... staff would work with and say, here's some thresholds we could work with, and adjust those over time, depending on how the program works."

Davis: "Absolutely. That is..."

Wheeler: "So I just want to put that in the record that... a lot of us are very concerned about easing things right now, but there's a reason for it and I wanted to make sure that got in the record. Thank you for that."

Davis: "Absolutely."

Wheeler: "We talked about small contractors and the compliance that they'd need to go through with respect to this, and I gave you the example of maybe a small contractor with a \$600 thousand project, so they exceed the threshold, but they don't have a lot of workers involved in that project. Therefore, that's what the waiver process would help them... either if they can't put an apprentice on, they could go through the waiver process, which at this time, now that you've changed this language, does not have a cost to it. That's correct, isn't it?"

Davis: "Right. That was part of the revision, taking away the cost to apply for a waiver. I think there were some concern about maybe some constitutionality issues with regard to that or some legal issues with regard to that. But, again, the company or the scenario that you just described, that's where the waiver process probably could be helpful so that we don't punish someone for the reasons that you stated, but give them an opportunity to say, this is why I'm not sure if this should apply to me because I'm not hiring a bunch of people, most of my costs are in products or materials, and we're not going to

70th Legislative Day

11/13/2019

be bringing on any additional people. But that's what the waiver process should address."

Wheeler: "Okay. And that's something we talked about briefly... we could address in the future as the program evolves. Maybe we need a threshold for that kind of a thing too but that's not in this Bill today. I just want to make sure we keep moving the ball forward. Will, is there anything in this language, and this is a new thing for us, about the turnaround time for the waiver, how long it would take the department to issue the wavier?"

Davis: "I don't believe there is anything in this current language regarding timeline for that, but again, that's something that we feel should be addressed or could be addressed during the rules making process to create those timelines. Because I believe your concern was not wanting to hold up projects, you want things to move appropriately as we start to roll out this capital Bill."

Wheeler: "Right. Some of these projects are weather dependent, there's other things that they can't control..."

Davis: "Absolutely."

Wheeler: "...but government could be in the way. So if we monitor that, but somebody could fix as we go along if that needs to be fixed at all together. Last thing I want to put in the record here, Will, has to do with the funding window. There's a \$25 million transfer that goes from the... part of what was Senate Bill 690 was the Road Fund... Rebuild Illinois Projects Fund. Thank you. That 25 million, I just want to put it in the record, that's a one-time transfer, not a recurring transfer, correct?"

70th Legislative Day

11/13/2019

Davis: "We're... you asked that question yesterday and we're going to see if..."

Wheeler: "Yes, Sir."

Davis: "...we can get you an answer to it. I think yesterday we talked about it being one-time because we're talking about being able to help community-based organizations that help with the pipeline issues. And so, I think my feeling was that it would be just the one time, and once we get organizations up and running, obviously there's other opportunities for them to obtain funding to be able to continue this type of work, but then we also acknowledge yesterday that our pathway into apprenticeship programs is also through the companies as well. So, to the extent in which we can help create the pipeline and make people available, then the companies that participate in these projects have the opportunity to acknowledge individuals that are out there and help bring them into the program as well. So that's why we think it's one time, but admittedly, Representative, we're not a hundred percent certain."

Wheeler: "Okay. And to that point, if you could just clarify, originally there was a repeal date of June 30, 2020 for this transfer I believe, now it made that more open ended. I believe that's part of the flexibility process you wanted to add to this Bill to make sure it moved in the right way. Is that right?"

Davis: "Absolutely. That is correct."

Wheeler: "Okay. And one other thing we did talk about yesterday had to do with... we don't want to punish..."

Davis: "Okay. Very, very quickly we're..."

70th Legislative Day

11/13/2019

Wheeler: "Take your time."

Davis: "...as we're learning and trying to answer the question that there is very little opportunity in state budget for continuing appropriations, this is... so that's why we're probably feeling that this is a one-time appropriation."

Wheeler: "And again, to your... to your credit and to your word, well we're going to revisit this next year and I'm sure review with how this has gone along, what needs to be adjusted. Because you and I have a shared goal, and that's seeing more diversity in the trades and highlighting the good actors that are out there that have a done a great job of getting better representation and helping those who haven't find a way to get that done. This is one of the methods that you see as a way to do that. Is that right?"

Davis: "That is correct. And I appreciate your acknowledgement about how we're going to work together to make sure we're accomplishing exactly what we want to accomplish and that it's beyond just the idea of we know there's money out there for projects and we just want to start spending money. You know, we want to help Illinois residents. We want to help Illinois companies. We want to provide as much opportunity as possible for our residents and give them the ability to work on these kind of projects. So again we will be looking at this ongoing. And again, as I shared with you yesterday in committee, I shared with the Governor's Office, when we discuss the changes to the Bill that, upon review, we reserve the right to come back even next year and make changes to this and we expect their support in making those changes when we find... when we find that we need to make those changes."

70th Legislative Day

11/13/2019

Wheeler: "Thank you. I'd like to go the Bill then. Thank you, Will."

Davis: "Thank you."

Wheeler: "Ladies and Gentleman, if you were one of the Members of this Body that voted for Senate Bill 690 at the end of the Session, you already voted for the underlying elements of this. The Bill you see on the board, regarding motor fuel and local government, that is not what this Bill is. This has to do with the Illinois Works Job Program Act, and the Illinois Works Pre-Apprenticeship Programs and how they're funded, how they're going to be used, and the efforts on behalf of the Sponsor and others to make this more workable than what was in the original language. That is to be commended. I am grateful for that. There are concerns out there about how this will actually work in the real world. I think those are genuine concerns, but I think the Sponsor's done as good of job as he can in the short time we have to address those. Yeah, so if you'll... just to remind everybody, if you voted for Senate Bill 690 you already voted for the underlying elements of what this program is. I voted for it. I voted for these things. This Bill actually addresses concerns that were out there, it makes this more workable, and gives it the seed money to get started. With that, I'll say thank you again to the Sponsor for his hard work."

Speaker Harris: "Representative Davis to close."

Davis: "Thank you very much, Mr. Speaker. Representative Wheeler. Representative Wheeler. So on the appropriation we do feel that it's one-time, and the reason why we removed the sunset just to make sure we have enough time to get all the projects

70th Legislative Day

11/13/2019

moving, get everything moving. So, again, I want to thank Representative Wheeler for the conversation we had committee yesterday, as well as his questions on the floor. I am one of those people that is consistently looking for ways to increase participation on projects. I think this Bill helps move us in the right direction, absent of mandating certain things, this helps move us in the right direction. And I'm always sensitive... sensitive when we start walking back certain things that we did because it looks like they were weakening something. Well, sometimes we do need the flexibility to be able to move things forward. And what we have here, in Senate Bill 177, is the flexibility we need through emergency rule making, and the right conversation in having sensitive Representatives, particularly on the other side of the aisle, who were willing to work with us to accomplish these goals. I think this is moving us in the right direction, and I ask for your support."

Speaker Harris: "The question is, 'Shall Senate Bill 177 pass?'
All those in favor vote 'yes'; those opposed vote 'no'. Voting is open. Have all voted who wish? Have all voted who wish? Guzzardi, Mayfield, Mazzochi, Meier. Have all voted who wish? Mr. Clerk, please take the record. With a vote of 82 voting 'yes', 32 voting 'no', 0 voting 'present', Senate Bill 177, having achieved a Constitutional Majority, is hereby declared passed. Mr. Clerk, on page 4 of the Calendar appears Senate Bill 1300, Representative Hoffman. Mr. Clerk, please read the Bill."

Clerk Hollman: "Senate Bill 1300, a Bill for an Act concerning public employee benefits. This Bill was read a second time on

70th Legislative Day

11/13/2019

- a previous day. No Committee Amendments. Floor Amendments 3, 4, 5, 6, and 7 have been approved for consideration."
- Speaker Harris: "Mr. Wehrli, for what reason do you seek recognition?"
- Wehrli: "Thank you, Mr. Speaker. The Republicans request an immediate caucus."
- Speaker Harris: "And do you believe... how long do you believe you will be?"
- Wehrli: "About half an hour-ish."
- Speaker Harris: "Republicans have requested a caucus. They will caucus immediately. The Republicans are in Room 118.

 Democrats will sit quietly for half an hour. The House is in recess to the call of the Chair. The House will come to order.

 Mr. Clerk, Committee Reports."
- Clerk Hollman: "Committee Report. Representative Harris, Chairperson from the Committee on Rules reports the following committee action taken on November 13, 2019: approved for consideration, referred to Second Reading is Senate Bill 1639."
- Speaker Harris: "So, Members, returning to page 4 of the Calendar, Senate Bill 1300. Mr. Clerk."
- Clerk Hollman: "Senate Bill 1300, a Bill for an Act concerning public employee benefits. This Bill was read a second time on a previous day. No Committee Amendments. Floor Amendments 3, 4, 5, 6, and 7 have been approved for consideration. Floor Amendment 3 is the first one available."

Speaker Harris: "Representative Hoffman on Floor Amendment 3."

Hoffman: "We will withdrawal Floor Amendment #3"

Speaker Harris: "Mr. Clerk."

70th Legislative Day

11/13/2019

Clerk Hollman: "Floor Amendment #4 is approved."

Speaker Harris: "Representative Hoffman on Floor Amendment 4."

Hoffman: "Withdrawal Floor Amendment #4."

Speaker Harris: "Mr. Clerk."

Clerk Hollman: "Floor Amendment #5 is offered by Representative Hoffman and has been approved for consideration."

Hoffman: "Yes..."

Speaker Harris: "Representative Hoffman."

Hoffman: "Thank you, Mr. Chair... or Mr. Speaker, Ladies and Gentlemen of the House. Floor Amendment #5 contains the substance of the pension consolidation Bill. I would ask that we adopt Floor Amendments #5, #6, and #7. And if... it's okay, to debate the legislation on Third Reading."

Speaker Harris: "Seeing no objection, all those in favor of...

Representative Hoffman moves for the adoption of Floor

Amendment 5 to Senate Bill 1300. All those in favor say 'aye';

those opposed say 'nay'. In the opinion of the Chair, the

'ayes' have it. And the Amendment is adopted. Mr. Clerk."

Clerk Hollman: "Floor Amendment #6 is offered by Representative Hoffman."

Speaker Harris: "Representative Hoffman."

Hoffman: "Yes, Floor Amendment #6 would remove the opposition of the Illinois Municipal League. I ask for its adoption."

Speaker Harris: "Representative Hoffman has moved for the adoption of Floor Amendment 6 to Senate Bill 1300. All those in favor say 'aye'; the opposed say 'nay'. Opinion of the Chair, the 'ayes' have it. And Floor Amendment 6 to Senate Bill 1300 is adopted. Mr. Clerk."

70th Legislative Day

11/13/2019

Clerk Hollman: "Floor Amendment #7 is offered by Representative Hoffman."

Speaker Harris: "Representative Hoffman."

Hoffman: "Floor Amendment #7 is a provision that should've been included in the underlying Bill. It is... has no cost to any of the state funds. And I would just ask for its adoption. We can debate it on Third Reading."

Speaker Harris: "Seeing no objection, the question is...

Representative Hoffman moves that Floor Amendment #7 is... to

Senate Bill 1300 is adopted. All those in favor say 'aye';

opposed say 'nay'. In the opinion of the Chair, the 'ayes'

have it. And Floor Amendment #7 is adopted. Mr. Clerk."

Clerk Hollman: "No further Amendments. No Motions are filed."

Speaker Harris: "Third Reading. Please read the Bill."

Clerk Hollman: "Senate Bill 1300, a Bill for an Act concerning public employee benefits. Third Reading of this Senate Bill."

Speaker Harris: "Representative Hoffman on the Bill."

Hoffman: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. Senate Bill 1300, as it is amended, is a result of the Pension Consolidation Feasibility Task Force which was convened by the Governor in February 2019. It produced a report that made recommendations regarding the consolidation of police and fire funds throughout the State of Illinois. This is not exactly a reflection of the entire report but is the subject of negotiations between the organizations that represent policemen, the Fraternal Order of Police, the PBPA, the Metropolitan Association of Police. The Illinois Federation of Firefighters was also part of the negotiations, as was the Illinois Municipal League. As a result of these

70th Legislative Day

11/13/2019

negotiations, it was ... it became this Bill. This negotiation resulted in the recommendation that the investment arms of the police and fire local funds, about 650 of them, would be consolidated under one new board... or two new boards, one for fire, one for police. And what would happen is eventually \$8 billion of assets for the police and \$6 billion of assets for fire would go into... 2 funds, one for police, one for fire, for the purposes of investments. The negotiation centered around the makeup of the boards. Eventually, the Fraternal Order of Police and I believe other... the police organizations, Illinois Federation... the Illinois Firefighters Association, as well the Illinois Municipal League, reached an accord on the board makeup of these individual funds. The Police Officers Pension Investment Fund would be created, as well as the Firefighters Investment Fund. It was also agreed that the local police and fire funds would remain in place as they currently exist. They would not be doing investments any longer as these new state funds would be doing those investments. However, they... what they would be doing is they still would be doing determinations on disability, benefits, on causation, and other non-investment related matters. This would result in, I believe, an increase in the investment income substantially by using economies of scale, by putting the resources and assets together, police and fire funds, and by making investments that are prudent and are prudent under the Illinois Statute. In addition, this would contain some Tier 2 fixes that were sought by police organizations as well as firefighters. It would contain minority investment language that is very specific and is

70th Legislative Day

11/13/2019

consistent with the other state retirement funds. It would also require separate accounts for every single municipal fund that is fire or police fund that is sent to be used and invested together. These funds would be kept in separate funds and they would make sure that the... they would not be comingled in any way other than for investment purposes. It provides for the training for these local fund trustees. It used to be 32 hours when they first started, now it's 18 hours 'cause they won't be doing investments. And it is... it would be 8 hours yearly. There would also be an additional 4 hour training for the local trustees so they could learn their responsibilities and what they need to do in order to comply with this new Act. In addition, there are provisions that are... were contained under the underlying Bill that would be revenue neutral to the funds that would clear up some Tier 2 issues. With regard to transition, it was decided that from a list that will be provided to the Governor from the organizations that represent police and respectively the organizations that represent fire for the 2 funds, that he would pick individuals who would be the transition part of the board. The Municipal League will provide their municipal members and so on and so forth with the ... with retirees. That would last for 1 year. And within that 1 year there would be an election to elect the new Members of the board. The Bill sets out the makeup of the board, and I think that is a general overview. And I know that you will have several questions regarding the Bill of the... what is contained. Now, here's what I believe. I believe that this is historic and has been attempted to be done for nearly 4 years. It is our

70th Legislative Day

11/13/2019

intent to make sure that the interest of all parties are taken care of in this legislation. I believe that if you are a municipality, if you are a mayor, you want to make sure that your property taxes are kept at a minimum, you want to make sure that your pension funds are adequately funded. If you are an annuitant or you are an individual who is working and paying into the system, you want to make sure that those retirement funds are solid and are going to be solid for a long time. I believe that this Bill meets all those goals and that is why I believe we should have a favorable roll call."

Speaker Harris: "We have a number of Members who wish to speak on this issue, Ladies and Gentlemen. So, we'll be using the five minute timer. Representative McSweeney."

McSweeney: "Mr. Speaker, Will the Sponsor yield?"

Speaker Harris: "Indicates he'll yield."

McSweeney: "Representative, I'm torn on this Bill because I support the consolidation, but I oppose the benefitting increases. So, let's talk about the numbers. Over the next five years what is the projected total benefit enhanced investment returns? If you can give me a dollar amount then I'd appreciate it."

Hoffman: "Are you making reference to the Tier 2 changes?"

McSweeney: "I am. Well, I'm making specific reference to first of all the benefits. What are the enhanced investment returns that are being projected?"

Hoffman: "It's estimated over the next 5 years that the enhancements could cost all funds 75 to 95 million dollars over 5 years."

70th Legislative Day

11/13/2019

- McSweeney: "Those are actually the benefit enhancements. What are the benefits actually to the funds? So, I understand with the Tier 2, that's the cost. The cost will be between 75 to 90 million, I oppose that part of the Bill. But I understand, and it's been represented to me that there could be up to a 200 basis point improvement. I don't believe that. I think it's closer to a hundred basis point improvement in overall returns. What is the expected dollar benefit over the next 5 years for enhanced returns for those funds?"
- Hoffman: "And I assume, Representative, what you're... what you are making reference to is what would be the increase in investment proceeds."
- McSweeney: "I am. The enhanced returns, yes."
- Hoffman: "That would be between 820 million and 2.5 billion dollars over the next 5 years."
- McSweeney: "To the Bill. I believe that the numbers probably closer to 800 million, I'm on the low end of that. I totally oppose the benefit increases, I think it sets a bad precedent. But, there is no way that I could look at my constituents and say I voted against the Bill that's going to benefit them at a ratio probably close to 10-1, so I urge a 'yes' vote."

Speaker Harris: "Representative Brady is recognized."

Brady: "Thank you very much, Mr. Speaker. Will the Sponsor yield?" Speaker Harris: "Indicates he'll yield."

- Brady: "Representative Hoffman, can you clarify with all the different Amendments on this Bill at this point, what associations are in support of this legislation?"
- Hoffman: "It is my understanding that the Fraternal Order of Police, the Illinois... the Independent Firefighters of

70th Legislative Day

11/13/2019

Illinois, the Metropolitan Association of Police. I believe that the other organization, PBPA, would be neutral. And I think that the Illinois Public Pension Fund is also okay with the Bill, as well as the Illinois Municipal League. I think that there are a lot of other organizations that are in favor of the Bill, but those are the major ones that were part of the negotiating process."

Brady: "Have you had the opportunity to hear from rank and file members of police and fire departments in your district?"

Hoffman: "I have."

Brady: "And what has their response been to you?"

Hoffman: "Well initially, before the latest Amendments, before Amendment #5... and I think, on the mayor's side before Amendment #6... there was some concern. However, many of the problems that were... they were bringing up to me have been addressed in not only the board membership, but also you have to understand what we agreed to is that a supermajority Vote will have to be taken on this ... on these boards in order to make any type of decision that basically would affect the amount of money that the municipality may have to pay into these funds. So, when I talk to police and fire individually in my district they, after understanding that this will increase the amount of money that will be available for their pension funds and the determinations of benefits as well as determination of disability and causation and other things will still remain at the local level, they understand it and I believe are in support of it. In addition, I think the fact that the Fraternal Order of Police and other police organizations really didn't agree to the Bill until the end

70th Legislative Day

11/13/2019

of last week, I think that there was some information that was put out there prior to the agreement that some of the rank and file may not understand. I think now the vast majority do understand and the ones I've talked to have indicated their support."

- Brady: "Does this Bill in any way put Springfield in charge of investments for police and fire pensions?"
- Hoffman: "No, it is... it is exactly the opposite. This would make sure that the integrity of governance of the fund is by the individuals who are paying into it. They'll be elected. There will be individuals from the municipalities. They will eventually be elected, or their ex officio members. And then there will be individuals who are from the retiree community who are receiving funds. This is much the same way as we do for TRS, but we're using local... local individuals to run the funds, not the state."
- Brady: "I think... both sides of the aisle, I've heard a lot of discussion to this point. And we're not afforded the luxury of being able to set the agenda, especially on this side of the aisle. But why... why now, and why does this have to... Bill be voted on now?"
- Hoffman: "So, it's my belief that every day that goes by that we don't move forward with this, it's going to take some time to transition, that we're losing a significant amount of money for these pension funds. And that money is being lost 2 ways. First, it's being lost in not receiving as much investment income by allowing them to make more prudent investments and larger investments, to be frank. And it's also being spent in administrative costs that are being spent across the 650

70th Legislative Day

11/13/2019

funds. This... it is estimated will reduce administrative costs across the 650 funds by about \$30 million a year when this is fully implemented."

Brady: "For existing retirees of police or fire service, what would change from their present pension that they're receiving now under this Bill?"

Hoffman: "There would be... nothing would change at all except for the few Tier 2 fixes that are in the Bill."

Brady: "And can you briefly talk about those Tier 2 fixes?"

Speaker Harris: "Representative, your time has expired. If you can bring your remarks to a close."

Brady: "Thank you very much. And I'm sure others will elude to that, Representative Hoffman. But, Ladies and Gentlemen of the House, this is another one of the examples that we are damned if we do and damned if we don't. We have to make that decision ourselves and in the districts we represent. Hopefully, with the knowledge we've been able to get from some of those groups and associations who are exciting retirees. So, with that, I appreciate the answers to my questions. Thank you very much."

Speaker Harris: "Representative Batinick for five minutes."
Batinick: "Thank you, Mr. Speaker. Will the Sponsor yield?"
Speaker Harris: "He indicates he'll yield."

Batinick: "Leader Hoffman, I'm exhausted. Working on this you must be more exhausted and a special thanks to the fine young lady standing next to you, staffer Mary Cahill who everybody knew worked on this as well as... Mike Mahoney on our end. A couple quick questions. To be clear, this only affects any

70th Legislative Day

11/13/2019

pension fund that is currently organized under Article III and Article IV, correct?"

Hoffman: "The consolidation, that is correct."

Batinick: "Correct. So, if you are not in Article III or Article IV now you are not part of this consolidation, correct? Tier assets or anything other."

Hoffman: "Correct."

Batinick: "Okay, perfect. Does the state... under the legislation, does the state have any ability to sweep funds from these new pension organizations?"

Hoffman: "It's specifically prohibited."

Batinick: "Okay. Specifically prohibited, excellent. Something that seems to come up when I'm talking to... I'm having the same conversations with people back home. They... when I explain what I think the Bill does, they warm to it a lot. What about comingling? Is there a situation where there is a town that's 20 percent funded and a town that's 80 percent funded, that somehow the town that's paid its bills over the years is going to help bail out that other town. How does... how does that work?"

Hoffman: "And I agree with you that the concerns that I have had or have heard, many of them are around that issue. And the Bill specifically indicates that that is prohibited. That each fund will be separate and distinct, however, the investment returns will be shared at a pro rata basis."

Batinick: "Okay. And I got a text here. I want to make sure. So, is there any management that's against this right now? I know there's IML but aren't there other mayor... sort of management

70th Legislative Day

11/13/2019

groups that are... are they all in support of this Bill is my understanding. Is that correct?"

Hoffman: "There was one... they call them cogs, I believe. One cog that indicated today that they were either going to be neutral or opposed. I have not heard since then."

Batinick: "Okay. And how about the both police boards... not boards, but both police groups are in support of the Bill, at this point?"

Hoffman: "It's my understanding, yes."

Batinick: "They're in support?"

Hoffman: "Yes, I was just... yes, they all are in support."

Batinick: "Okay. And the firefighter groups are in support?"

Hoffman: "Yes."

Batinick: "And I just got word, cog is actually... do they... with the new language, cog is in support, is the word that I got for that everybody to know."

Hoffman: "Okay."

Batinick: "Okay, I'm going to go directly to the Bill. I know that... I know there's been... one of the difficult things about this Bill is something as simple as four words can make somebody that's really excited about a Bill be really not excited about it and oppose the Bill. And those four words were taken out and what happens in the meantime is there's... although things work fast nowadays, when you send out an email that says somebody should oppose and then they get everybody excited and they start calling your offices, it takes time for them to pull that back. I've got a text that says the FOP is going through great lengths to contact membership and inform them of the changes in the Bill and why law enforcement

70th Legislative Day

11/13/2019

is unanimously supportive of the changes made in this legislation. This is one of the better Bills I think we're going to pass this year. I strongly urge an 'aye' vote. Thank you."

Speaker Harris: "Representative West."

West: "Thank you, Mr. Speaker. To the Bill. It is ... this is one of these pieces of legislation, of course, that we... received a month ago. That, though we may be excited, we have to ensure that our police and fire and our local municipalities are on board. I had the opportunity to speak to both. And I want to put on record what Jeff Nielsen, who is the president of the Rockford Police Pension Fund, and a former chief of police, what he said... simply put it in on record and then I am done. 'The Rockford Police Pension system is one of the largest in the state which assets... with assets nearing \$200 million. However, we are limited as to what we may invest in by state statute. It has been said that many police and fire pension systems lack the knowledge to properly handle their investments. Rockford is different. Between our 5 unpaid members, our board has approximately 60 years of experience administering this fund, and we have the assistance of an outstanding professional investment advisor. For the last 10 years we have averaged about a 7.5 percent gain on our investments annually, while adhering to the Illinois' mandated restrictions. We believe that by giving us a chance to move beyond those investing restrictions, our gains would be even greater. There's also the possibility that the state will impose actual assumptions on the consolidated fund that do not reflect the demographics of the Rockford fund or the

70th Legislative Day

11/13/2019

investment returns we have attained. Choosing appropriate actuarial assumptions is a critical part of determining the annual contributions to be made by the city to assure the funds long term viability. Imposing an appropriate actuarial assumptions could have a devastating effect on the City of Rockford and its taxpayers by requiring the city to put millions more in the fund. While I understand that the Governor wants to address the pension crisis and feels that a pension consolidation Bill is a great step in the right direction, massive legislation such as this deservers a great deal of consideration and input. It should not be rushed through in a Veto Session where it will get none. I strongly believe that pension funds, taxpayers, cities such as Rockford, and officers will be much better served by waiting until the spring Legislative Session. That all parties have time for input and discussion to confidently develop legislation that works for all.' Now, I had a discussion with him on today and as you can see, we're not waiting until spring Legislative Session. But I ensured him that his voice will be heard. So, thank you for hearing his voice."

Speaker Harris: "Representative Skillicorn."

Skillicorn: "Thank you, Mr. Speaker. Will the Sponsor yield?" Speaker Harris: "He says he'll yield."

Skillicorn: "Jay, in your opening you mentioned something about revenue neutral changes to Tier 2. Can you please elaborate?" Hoffman: "Yes. These other changes have nothing to do with the consolidation. For instance, they were part of the underlying Bill. They're... it was an alternative formula that was in existence for basically law enforcement types as well as

70th Legislative Day

11/13/2019

firefighters in the state funds, not these funds, not the police and local... police and fire funds. And what we did when we did Tier 2 is we raised their retirement age to 67, okay. This would move it back to 60, however, the employee would have to pay the interest and the contribution. And according to the funds, they would be revenue neutral and they are neutral on those provisions. This has nothing to do with the police and fire, it had to do with the underlying Bill."

Skillicorn: "So retirement age will go down, but the employee is asked to make up the difference with interest?"

Hoffman: "Correct."

Skillicorn: "Okay. So another thing I was really getting at is that the enhancement to COLA... I supported the pension reforms that were passed by this Legislator back in 2011. I wasn't even a Representative then, I was just a taxpayer. I supported those. So, they went from one half of CPI now... correct me if I'm wrong, to now CPI. Is that correct?"

Hoffman: "It's my understanding that it's not the COLA. It's the pensionable salary cap that would go… there would be an adjustment to."

Skillicorn: "Okay, okay. Do you have a dollar amount for what that'll cost?"

Hoffman: "I have the dollar amount for what we believe the changes to the police and fire Tier 2 would be total. And that's between 75 million and 95 million over 5 years. However, by putting the investments into these funds and getting a greater return, that would bring in 820 million... between 820 and 205... 2.5 billion."

70th Legislative Day

11/13/2019

- Skillicorn: "Yeah, and we've heard that there. So, one thing is I am concerned about is that you mentioned for five years. So, everyone that gets hired today is Tier 2. This is going to be something longer than five years and it's also going to take a lot longer than five years to fix our whole pension crisis. Is there some actuary notes and dollar amounts for something beyond five years?"
- Hoffman: "Yes. Over the next 20 years, the task force estimates consolidation will result in between 3.6 billion and 12.6 billion in increased investment returns."
- Skillicorn: "Okay. Again, I'll probably go on a lower end of that just because I don't think we're going to get two percent additional. So, you mentioned with the other Representative about... there's a provision to preventing the funds from being swept. How does that mechanism work?"
- Hoffman: "It... this was not... will not be considered a state body.

 It is totally independent from the state, therefore, it cannot be swept. And I believe in the Bill it indicates the state cannot sweep it."
- Skillicorn: "Okay. So, the other pension funds that we have. They were not swept but we had a pension holiday. So they weren't fully funded. So I'm going to get into that. So, last year almost 220 local pension funds were not fully actuarially funded. That's fully a third of these downstate pension funds were not actuarially funded last year. There was a contribution made, but it was not the full contribution. Does the mechanism still... is the mechanism still there that the Comptroller can take these funds... I see you nodding your head... and what is the... who's going to do this, in this case? Is it

70th Legislative Day

11/13/2019

going to be the new pension boards? Or does the local board going to have to make the call to the Comptroller to seize these funds?"

Hoffman: "We did not make any changes with the Comptroller's ability to intercept funds. That's all the same, so the local board will make that decision. The local board will make the decision."

Skillicorn: "So it's still the local board that has to make the decision?"

Hoffman: "Correct."

Skillicorn: "So, unfortunately, you look at the City of Harvey and they were between a rock and a hard place. They knew that if they asked the Comptroller for their funds, that Harvey would end up cutting the budgets for the police. And what did they end up doing? They ended up laying off half the officers. I'm running out of time here, can I..."

Speaker Harris: "You just ran out. Yes, could you bring your remarks to a close? Representative Reick yields five minutes."

Skillicorn: "I'll be much more brief than five minutes. I'm very concerned about... and to the Bill. I'm very concerned about some of the cost increases to this. The benefits are going to be increased to Tier 2, we're looking at the retirement age going significantly lower. But, Jay, I'm going to support your Bill. And that might be a first. And I urge others to do so."

Speaker Harris: "Representative Manley."

Manley: "Will the Sponsor yield?"

Speaker Harris: "He indicates he will."

70th Legislative Day

11/13/2019

- Manley: "Representative Hoffman, first of all, I want to thank you for all your work and working really hard over the last several weeks to get Amendment after Amendment and try to address many concerns that all kinds of different parties had. I want to ask you a few questions though because... kind of echoing the sentiments from the letter that Representative West read, my district police pension boards are very concerned. They think that this has been rushed through. And I guess I can't blame them. You know, I try to tell them... and I think this is a greater problem that we all have to realize exists, that people are skeptical when we say we're going to do something, that we're actually going to do it. And people think that when we say the funds can't be swept, even if it's in law they think somehow we're going to figure out how to do that. So I sympathize with their skepticism. So I'm going to ask you a few more questions. If other people have asked these questions, I apologize, but I really just need some clarity here. And then I have a couple suggestions. If the local municipalities do not put in their share what happens?"
- Hoffman: "It's my understanding that what the current law is with regard to intercept, where the Comptroller could intercept other state funds that would otherwise go to that municipality, that can be triggered and put into the fund."
- Manley: "Okay. So there's a mechanism in place that would force municipalities to put in what they're supposed to."
- Hoffman: "Or the funding would be intercepted from the Comptroller."
- Manley: "Okay. What happens if we have a bad year? God forbid, everybody knock on their desks, knock wood that we don't have

70th Legislative Day

11/13/2019

a downturn in the economy. But let's just say, one of the funds that is not as well funded as others experiences the... their proportionate share of a downturn in the economy. It's at the point where... and there's a lot of them that are severely underfunded, correct? So, let's say the... their proportionate share of the loss causes them to literally have no money left. What happens then?"

Hoffman: "Well, first of all, let me just make the point that the whole concept of providing the greater... the ability to get greater rates of returns also means in downturns you would have less of a loss. So, it's..."

Manley: "So let's just..."

Hoffman: "...very difficult to look at it in a vacuum because what we're saying is, you're still going to have your fund. You're still going to have your fund, however, for the purposes of investments and investments only, we're going to use the buying power or the economy as a scale for investing all the money together."

Manley: "I love all of that but I guess my real concern is, if a fund, because of their proportionate share of the loss, comes out in the red, are the other funds going to be used to bail them out?"

Hoffman: "No."

Manley: "So, there's no bail out? This is not a collect... this is not all for one and one for all thing. We're all going to be siloed off in our own funds. They're going to exist independently but used collectively as one way to invest with more power."

70th Legislative Day

11/13/2019

Hoffman: "And it's very specific that you can't use the funds from one fund to make up for a loss or insufficient funds in another. This is only for purposes of investment."

Manley: "Okay. And I guess the last thing that I was hoping that we would get accomplished... and this is why this going so quickly we weren't able to think about these things. But I really... my local pension boards, we talked, we kind of brainstormed, and what they wanted to do and what I thought was a good idea and I mentioned to the Governor was, why can't we have an opt in? So those funds... let's just use 50 percent. All those funds that were underfunded, 49 percent or less would have to be part of it. Those that were over 50 percent could opt in or opt out. Why didn't we do that? And I know you're going to say it's because we're stronger together. The more money we have, the more money we can make. Was that even any part of this negotiation at all? Did you discuss that?"

Hoffman: "It was brought up. However, I think it was determined that actuarially, as well as the fact that many of these funds can't make the same type of investments that provide higher yields with lesser risk, that it would be better to... for investment purposes to have all the funds together whether it be police or fire."

Speaker Harris: "Representative, your time has expired can you bring your remarks to a close?"

Manley: "Thank you."

Speaker Harris: "Representative LaPointe."

LaPointe: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Harris: "He indicates he'll yield."

70th Legislative Day

11/13/2019

LaPointe: "To the Bill. I am very, very pleased to support this Bill, which, I realize, is a result of so much work and negotiation that started long before I was a Representative of the 19th House District. In my district in particular I represent a lot of police and firefighters, both in the city and in the suburbs, so this has a direct impact on my district. I believe that this Bill represents very smart consolidation and a very important step forward for pension parity for down state and suburban first responders. However, we do still have a lot of work to do to ensure pension parity for Chicago. I want to thank the Governor and his office in particular for listening to some of these concerns that were raised. And I look forward to working with the Governor and Mayor Lightfoot in the future to ensure that we do get fairness for our Chicago police and fire. Thank you for your leadership and shepherding of this Bill."

Speaker Harris: "Representative Wilhour."

Wilhour: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Harris: "Indicates he'll yield."

Wilhour: "Thank you. Leader Hoffman, is there a... has there been a actual full actuarial analysis of the effects of this Bill?

Has anything... has an actuarial analysis been released on this Bill?"

Hoffman: "I don't believe a full one has, but the task force that was... that the Governor convened that began in February of 2019 used experts to come up with the analysis, the cost, as well as the perspective returns on investment."

Wilhour: "Okay. So, basically we're just trusting their numbers on that. What... you know, to put this in perspective to the

70th Legislative Day

11/13/2019

larger pension issue in Illinois, what percentage of the pension debt is represented by the downstate police and fire? Do you..."

Hoffman: "I think, Representative, whenever you hear information regarding the pension debt it doesn't deal with the local funds. They're only talking about the state's pension debt. This is not a state obligation."

Wilhour: "Yeah, if you..."

Hoffman: "This is not... this is a local obligation and we're not changing that."

Wilhour: "Sure. Right. Well just to put it in perspective, it's about four percent of the total problem. So, I think it would be fair to say that dealing with this issue is not fixing the pension problem. We still have a lot of work left to do."

Hoffman: "And can I say something to that? I'm not saying it is.

I'm saying what this... this is a good step forward for these police and fire funds. But, I'm not saying it is in any way fixing the... our pension problem."

Wilhour: "Well, I appreciate you saying that. The Tier 2 folks, they stand to gain a lot with this Bill. Is there anything that is requiring them to put forward a higher percentage of their pay towards these benefits as part of this Bill?"

Hoffman: "So, let's talk about... I think... I don't want to confuse... that's a question that, that I don't want to get confused in everyone's minds. The Tier 2 issue with regard to police and fire... with regard to police and fire, and these funds that we're consolidating for investment purposes, they would have to pay, I believe... they would receive these Tier 2 benefits and make them to... back to Tier 1 as a result of the type of

70th Legislative Day

11/13/2019

work that they do, police and fire. The other ones that are in the Bill and were in... many of which were in the underlying Bill, require that the employee pay the employees and employee interest as well as all the interest and in some cases, the employer and employee. So the funds would say in those cases, in those instances with the state, they would be revenue neutral."

Wilhour: "Okay. Thank you. I'll just... I'll go to the Bill. Passing a major Bill like this without a clear and specific actuarial scoring is irresponsible. You know, this deal has major financial implications and we should be able to see that info. In fact, as Legislators we should demand that info. What I'm hearing today is that we should just accept the Governor's numbers, the task force numbers. Just trust us, because we're the government and we have a great financial track record on this kind of thing. Not require... not providing this kind of stuff just makes this whole process look bad and it makes everybody... it makes everybody very, very skeptical about it. I really, really want to support this consolidation effort because if you just deal with the consolidation of the assets, it's a good deal for taxpayers. But here's the deal, why can't this Body ever just deal with a problem? With a single problem. We've got this big problem and we've got a very simple and clear solution to... just consolidate the funds for investing purposes and be done with it. That should be simple. But that's... we get told that's not how Springfield works. We have to get in here and we've got to muck up the process. We've always got to ... why do we always have to allow the special interest... bring in our special interest buddies to

70th Legislative Day

11/13/2019

basically come in there and... take their pound to flesh from the taxpayers on this? Why does it have to happen like this here in Springfield? 'Cause that's just the way the deals get done here. I don't accept that. Taxpayers deserve better than that."

Speaker Harris: "Representative, your time is expired. Could you bring you remarks to a close?"

"Yeah, yeah. This Body needs to find the backbone to every once in a while tell these special interests, no. We shouldn't allow these people to hold good legislation hostage extract their sweetheart deals. We can't increasing benefits without demanding and increasing contributions. And if we really want to fix Tier 2 then let's get serious and let's have a serious conversation about it. Let's open up the Constitution, let's fix the pension clause, so that we can save pensions without breaking taxpayers. If it's fair and reasonable to tie the COLA, the CPI for Tier 2 folks, then how is it not fair and reasonable to do it for Tier 1 folks moving forward? Let's deal with the real problems. Let's stop making things worse for the taxpayers. All that said, I'm going to vote for the Bill because I think that the consolidation aspect is a winner for the taxpayers, but I'm just really disgusted with the process."

Speaker Harris: "Representative Gabel."

Gabel: "Thank you, Mr. Speaker. To the Bill. First, I'd like to thank Representative Hoffman for carrying this Bill and working on this Bill. The municipalities in the district that I represent have been very concerned about increasing costs of fire and police pensions and the impact on their budgets.

70th Legislative Day

11/13/2019

Every year I go meet with all of them and every year they tell me that this is one of their major concerns. And this Bill will allow them to both reduce their administrative costs and increase the money they earn on their pension investments. I know there were some issues just yesterday with the Illinois Municipal League, but my understanding is that those have been resolved with Amendment 6, and that the Illinois Municipal League now is supporting the Bill. So, I believe that this Bill is a win-win and I urge an 'aye' vote. Thank you."

Speaker Harris: "Representative Davis."

Davis: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Harris: "He says he'll yield."

Davis: "So, Representative, you and I have had some conversation with regard to this Bill and it's not really a function of whether I agree or disagree that pensions should be consolidated or not. You know, obviously, you're working on trying to make that happen. You've gotten various agreements and things like that from other groups but... like you probably aren't familiar with me relative to other types of opportunities. The question always becomes how does... how do minority companies play in this? And so, earlier it was shared with me about some current law that exists relative to this type of work. But obviously we're doing some different things so, is there any different... anything different from the language that currently exists for emerging managers that's changing with this particular piece of legislation?"

Hoffman: "Yeah, so it's my understanding that it's local funds...
there are some requirements for minority participation but

70th Legislative Day

11/13/2019

it's not enforced. And so, what we did is we took... for the purposes of this... these investment funds we took the current language that is in all of the state pension funds and it adopts the whole concept of qualified investment manager that would ensure that, I believe, 20 percent of the consolidated funds would have to be... you would have to utilize minority owned businesses, women owned businesses, or business owned by a person with disability. And those definitions that are contained in what I provided with you, is..."

Davis: "Well here's probably... based on what you just said, the clarity that I need. You said 20 percent would 'have to be'.

That's 'shall', is it that they 'may'?"

Hoffman: "I apologize, you're correct."

Davis: "And I think that becomes the challenge is that we put language in there, but how do we... what can we say or do relative to ensuring that emerging managers, and I have the definition based on what you gave me earlier, are going to truly that opportunity? Because some would argue that with all of the smaller funds, that that creates the opportunity for them to be able to kind of get their foot in the door and start this kind of work as a company. And now that we're kind of merging all of these funds and they'll probably be managed by larger companies, how do we just make sure that these emerging companies, these smaller companies have... indeed have an opportunity to be able to participate in this?"

Hoffman: "Well, under the definition... first of all, I pledge with... in committee with Representative Ford, and I hope that you understand that I believe that we need to make sure that these are not just goals, that they eventually become a reality,

70th Legislative Day

11/13/2019

okay. What... the way the definition is under qualified investment manager or emerging investment managers, it indicates that if they have a portfolio between 10 million and 10 billion. Now, I'm not in that industry but I would think a portfolio of 10 million for an investment manager is fairly small."

Davis: "Okay, but the 20 percent is, again, what's already in law. So, that's what we're trying to find out. Does this Bill change anything?"

Hoffman: "I don't believe that the 20 percent was in law for the local police and pension boards. So, what this does is it says now when we have the consolidated assets for the purpose of investment, we're taking the 20 percent as well as the other language that is in every state pension board that... and we're adopting it for these two boards as well. So, if there needs to be changes, I'm certainly willing to work in the future with you. But that was the intent... it was... the intent is to make sure and be very specific to address Representative Ammons' points in caucus, making sure it's very specific in this Bill that what we do for all other state funds are now going to have to be done for this consolidated local fund."

Davis: "Well, I'm being told that we're not sure if that's correct relative to the 20 percent, whether it's already there verses, and... so, we probably need to sit down and be able to go through this. And so, what I'm simply asking is that if this Bill passes, then we need to be able to address that immediately and work on another Bill. I don't want to call it a trailer necessarily, but another Bill that maybe works to address that type of effort immediately to make sure, because

70th Legislative Day

11/13/2019

again, we're talking about millions and millions of dollars and we want to make sure that emergent investment managers, which again, by definition includes minorities, and women, and others, really have an opportunity to do this work. And while we're not certain about that, currently..."

Speaker Harris: "Representative... Representative, your time is expired. If you could bring your remarks to..."

Davis: "Can I bring my remarks to..."

Speaker Harris: "Yeah."

Davis: "Okay. So, while we're not clear about that currently, then we're going to need to fix this moving forward and create those opportunities for those types of companies. Thank you very much, Mr. Speaker."

Speaker Harris: "Representative Murphy."

Murphy: "Thank you, Mr. Speaker. Due to a potential conflict of interest, I will be voting 'present' on this Bill. Thank you."

Speaker Harris: "We will note your intentions. Representative Morrison."

Morrison: "Thank you, Mr. Speaker. I concur with some of the remarks of Members on my side of the aisle, particularly McSweeney and Wilhour and Batinick and Skillicorn. So, I'm not going to repeat their points. But I would say, that if this passes, we are by no means finished with pension reform. When you look at the totality of Illinois' pension problems, we are just barely moving the needle in the right direction on this Bill. It could've been better, we could've moved it a little bit farther had we not had these Tier 2 benefit enhancements, which I do not support. But for the overall Bill I am going to vote 'yes'. I just thought I'd note that

70th Legislative Day

11/13/2019

some of our municipalities in the State of Illinois already do provide Social Security. And so, I wish that there would have been an opportunity to provide a carve-out in regards to Tier 2 benefits for them. But in short, one of the number one issues that Illinois faces as a state is our overwhelming property taxes. Our local taxpayers, commercial and residential, are paying these. They need to see some relief going forward. I do believe that this is going to be helpful. But again, we are not finished if this passes. And I ask for an 'aye' vote."

Speaker Harris: "Representative Spain."

"Thank you, Mr. Speaker. To the Bill. Leader Hoffman, thanks for your leadership on bringing this issue forward. I'm sure you don't remember, but I think one of the first times I met you was coming to Springfield to talk and advocate about the need for local public safety pension consolidation. I was serving at that time as an alderman in the City of Peoria. And this was 6 or 7 years ago, and even at that time this was the most important, the most urgent issue facing our community. And as you can imagine, that urgency has only built. And so, while we are here in this final week of Legislative Session for 2019 I appreciate you bringing this issue forward. I saw that Senator Martwick was on the floor a little bit earlier, and certainly worked with him in the spring as we worked to advance these issues. Just this year alone I filed 11 different pension consolidation Bills. Different options that could be available for our Legislature to consider to finally get this issue solved. I have heard that pension consolidation has been discussed and considered

70th Legislative Day

11/13/2019

for decades. Even with some saying going back to 1940, that we have been considering the urgent need to change the way we manage these funds. And so, for me, why file 11 Bills, why make this a top priority? And it really has to do with the things that I see happening in my hometown of Peoria. Where the burden of pension obligations that continue to increase every single year, are not able to kept pace with the needs and taxpayer opportunities of our community now. Over the last 10 years in Peoria we have increased our annual pension contribution by double. And so, every time we have further increases in our pension obligations, it community's abilities, all of our communities to develop other priorities that are important. Whether that's building roads and bridges, providing services in our neighborhoods, or in the case of Peoria, having the number of public safety employees that we would like to have. Last year as the City of Peoria developed its annual budget, major cuts had to happen for our public safety employees. And so, as we debate the merits of consolidation of pension funds, we're seeing in our communities a different type of consolidation taking place. We're seeing a consolidation of public safety employees, which is a terrible thing to see happen with work forces depleted in vital public safety positions. In Peoria we are down 21 police officers, positions that are unfilled, because we simply cannot afford the pension obligations that are required for our public safety employees. In the fire department, we are down 2 engine companies, 15 firefighters, positions that are not being filled that are important to our community and important for the safety of our citizens and

70th Legislative Day

11/13/2019

for our public safety heroes that we greatly care for and respect their dedication. This is one of the most important things that we need to be doing in the State of Illinois. I'm so glad to see this coming to fruition, Leader Hoffman. I thank you for your leadership. I appreciate the attention that the Governor has placed on this issue. This is something that is often rare here. One of those win-win opportunities for our public safety employees and for our taxpayers. We can reduce administrative expenses, we can increase investment returns for our employees, and we can ultimately put all of our communities on a better fiscal footing. The one thing that I failed to mention in Peoria, and this is something that could happen in other communities if this type of action doesn't take place, currently in our community every dollar of property taxes that are raised are now being dedicated to public safety pensions. Our squeeze has become so significant that our community has instituted a new \$50 per parcel pension fee on a non ad valorem bases. So, every parcel, nonprofit or otherwise in Peoria, is paying an extra fee just because we simply cannot keep pace with the growth of our pension benefits. This is something that will allow us to right the ship. It's certainly not the end of the story, we have a lot of work ahead of us on the topic of pensions and retirement benefits in our state. But this is such an important, major step forward that will pay dividends for our taxpayers and for our public safety employees. I strongly urge a 'yes' vote. Thank you."

Speaker Harris: "Representative Stava-Murray is recognized."
Stava-Murray: "Thank you, Mr. Speaker. Will the Sponsor yield?"

70th Legislative Day

11/13/2019

- Speaker Harris: "He indicates he'll yield."
- Stava-Murray: "So I've been asking a lot of questions of the Governor's staff, which I want to just be thankful to the Sponsor for your work and the team that's working on it, being so responsive, but is there a total estimate of what the transition costs are going to be?"
- Hoffman: "No. I can tell you that in the Bill is an amount of \$7.5 million from the Illinois Investment Finance Authority for each of the funds. And that \$7.5 million is a loan that has to be paid back within 30 months with interest. We believe that that amount will take care of the transition cost and will then be paid back when all... when the assets are together and are being invested into 1 fund."
- Stava-Murray: "Okay. And is there a limit to what the loan rate will be? Or is there an intent for there to be some sort of limit on the loan rate?"
- Hoffman: "My understanding that the interest rate will be agreed upon by the trustees of the fund."
- Stava-Murray: "And is there any oversight of that, knowing that these will only be appointed trustees when that decision is made and not the elected trustees?"
- Hoffman: "Well, I think the law says that they have to pay an interest and they're going to be voting Members and they're going to have to run this board... this retirement board or pension board. They're going to have to run that the same way anybody else is, which means they're going to have a fiduciary duty, the fiduciary council. They're going to have to make sure that they oversee the funds in a prudent manner that

70th Legislative Day

11/13/2019

- investments are made prudently and that they comply with laws regarding pensions."
- Stava-Murray: "Got it. So... and what fund is the money that's going to be loaned to the local pension funds coming from? What's the source of that money?"
- Hoffman: "Yeah, so the Illinois Investment Finance Authority...
 Illinois Finance Authority oversees, I believe, it's \$120
 million right now and in a variety of items, a variety of
 funds. It'll be pulled from all those and the 7.5 million per
 fund will be taken and it will be taken across the board and
 then it will be given... loaned to the new entities. And then
 those new entities must pay it back within 30 months."
- Stava-Murray: "Okay, got it. And so will there be any impact on any existing programs or things that could've been funded from this?"
- Hoffman: "I'm told by the... we've been told by the executive director that it'll be spread across the funds and will not have an impact on existing programing."
- Stava-Murray: "Okay. Thank you. And in terms of the... in terms of the restrictions that are currently on pension funds, are there any restrictions that would apply to the new consolidated funds to prevent something like, lots of super risky investments and subprime mortgages before the 2008 situation happened or something... anything like that?"
- Hoffman: "The same type of restrictions that will be... that are part of all of our investment decisions for our other pension funds would be the same ones for this. And there is obviously always a fiduciary obligation so that you can't... you must act as a fiduciary for these funds. One of the items that is

70th Legislative Day

11/13/2019

contemplated is the fiduciary council must be a supermajority vote, so that all sides have to get a say in who the fiduciary council is because we want to make sure that it's an independent person and not part of one faction or another."

Stava-Murray: "And in terms of the selection of the bank or the financial entity that will manage these funds, does that also require a supermajority or?"

Hoffman: "So, the items that are specifically... and it's specifically in the Bill that would take a supermajority vote for... is for the adoption of the actuarial assumptions. And the understanding why that is so important is that could affect whatever the local municipalities have to pay in. The selection of the chief investment officer, the selection of the fiduciary council and consultants as are defined in 1-1.5 of the Pension Code. It also needs a super majority for the adoption of rules for the conduct of election of trustees and a supermajority for the adoption of asset allegation policies and investment policies."

Speaker Harris: "Representative, your time has expired. Can you bring your remarks to a close?"

Stava-Murray: "Thank you. I would have hoped that we could've had an additional four to eight weeks to consider all of the data, but the vote is today and I am in support of pension consolidation, so I urge others to support as well."

Speaker Harris: "Representative Weber."

Weber: "Thank you, Mr. Chair. Does the Sponsor yield?"

Speaker Harris: "He indicates he yields."

Weber: "I hear a lot about taxpayers and savings by the villages and the different departments and stuff like that throughout

70th Legislative Day

11/13/2019

here. And so, one village in particular was talking about how they might be... once the bottom line cost of the consolidation is finished, that they might realize 2 to 400 thousand dollars a year... savings towards paying into their police pension. Is there anything in the legislation that is written that would guarantee that money actually gets realized by the taxpayer or abated back to the taxpayer?"

Hoffman: "I think that that would be up to the local board. They mayor and the local board."

Weber: "Well, we work for the taxpayers, not the local board so that's why I was thinking that might be something nice to add in there, that that money would actually go back to the taxpayers."

Hoffman: "I think... so I'm not trying..."

Weber: "No, I..."

Hoffman: "I'll just tell you how I understand it. The increase in investment income will then be able to reduce the amount that is needed to be paid in by the municipality, which then could reduce property taxes. Now, the reduction in property taxes is going to be... that determination will be made at the local level."

Weber: "So, I know with education funding and things like that we do put it into the legislation that if you receive this money that you have to abate that same amount back to the taxpayer. So, I was just seeing if there was a way we could add that legislation in there to where any realization in savings actually goes back to the taxpayer."

Hoffman: "I think the issue would be, just because you realize higher investment income, it may only be 50 percent funded."

70th Legislative Day

11/13/2019

Weber: "Right."

Hoffman: "So, if you're 90 percent funded or 95 percent funded then I think you would have a very good argument."

Weber: "Right. No, and that's what I was talking to a village who's almost fully funded now and they're looking at more of another pool of money to spend somewhere else. And I'm like well, the reason we're doing this is to save taxpayer's money. So anyway... so I guess that the answer is no, there's nothing in there that would guarantee that. Is that something you'd look at putting in there?"

Hoffman: "I'd look at working with you on it, yes."

Weber: "Okay. All right. Thank you."

Speaker Harris: "Representative Wheeler."

Wheeler: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Harris: "He indicates he will."

Wheeler: "Thank you, very much. Jay, first let me say a quick thank you for working hard to land this, working with colleagues on my side of the aisle. I want to point that out, when we do that I think we get to a better language, better legislation, and a better result. And I want to say thank you for that. The last thing I want to do is, I don't want to belabor the point. We've talked a lot about how this effects municipalities in the state and big numbers and liabilities and all these things. Can you just tell me how you, who have done a great job over the years of presenting yourself as an advocate for the little guy, for the union worker, that we've talked about so many times on this floor together, how do we handle the discussions with them when we get back home? How

70th Legislative Day

11/13/2019

do we explain to them how this helps them? Can you walk me through what your thoughts on that, please?"

Hoffman: "Well, a couple things. First of all, when... someone earlier discussed the issue of special interests. But you have to understand, police and fire, who pay into this, this is their retirement, this is their money, right? So, I don't view a special interest as a city who is paying into this fund. What I was concerned about and the reason I got involved is I wanted to make sure that the historic makeup of the local board, which is two, two, and one, two people that are employees, two people that are from the municipality, and one retiree, didn't change. And some of the early proposals changed that, I thought, dramatically. So, this basically indicates in the legislation that we're going to have an equal... the same proportion. Whether it's under police or fire, it's going to be the same proportion of the number of employees and retirees, which would be five, and the number of people in the municipality, which would be four. Now, without that... that's generally what it'll do. It's different in each police and fire, so. But it ends up being five to four. But what we did in compromise with the municipalities and the IML, initially, is we would have these items, have a supermajority vote that would affect actuarial assumptions, would affect investment income, would affect how much the municipalities put in, it would take a supermajority vote. And so that was the compromise. So I would say to the person who is concerned, who is a police or fireman who is concerned about we're taking their funds, we're not. Their funds are still going to be together, they're just going to be comingled

70th Legislative Day

11/13/2019

for the purposes of investment. They're going to be as safe as they were today. As a matter of fact, we're going to make sure that they're actually stronger because they're going to have a better investment income and, in addition to that, the people who represent you are going to have the same proportional say as they do in the local boards. And we didn't take away the local boards authority on benefits, the local board's decision making on disability, that was not taken away. So, that's what I say to the people who've called me."

Wheeler: "Right. And so the short version of that is, your money is still protected. It's going to get a better opportunity for return. And we are not going to be able to sweep your money, the money still belongs to you and it's protected by the Constitution of the State of Illinois."

Hoffman: "That was way better than what I said. Thank you."

Wheeler: "You're welcome."

Hoffman: "I should've talked to you earlier."

Wheeler: "Appreciate it, Jay. Thank you."

Speaker Harris: "Representative Hoffman to close."

Hoffman: "Well, thank you, Mr. Speaker, Ladies and Gentlemen of the House. It certainly was an interesting debate. This is not something new. This has been worked on and proposed for nearly 40 years. I get why some people are concerned or are reluctant and why some funds and organizations are concerned or are reluctant. But I can tell you that the intent of the legislation is to preserve and respect the important role that local pension boards play. It's beyond... and this is beyond the investment... the investments of these pension funds. One of those roles, which we do not... which we do not

70th Legislative Day

11/13/2019

any way to diminish, is making benefit in determinations. So, when you ask me what is in it for the person who is from police and fire retiree, I would say, that's the case. Also, as an example, currently Article III police pension boards establish whether an injury is a catastrophic injury under the Public Safety Employee Benefits Act by virtue of issuing a line of duty benefit. That was established in the Krohe v. Bloomington case. Additionally, under Cronin v. Skokie, the pension board also commonly determines causation and whether the disability arose out of one of the statutory criteria for benefits under the Public Safety Employee Benefits Act. For instance, whether the disability... disabled officer was responding to what reasonably believed to be an emergency. So, don't be concerned of the determinations of the local board. This is simple, and it was said very well by Representative Wheeler, what we are doing is we're taking the funds, we're making them stronger by putting them together and we're making them... allowing them to have economies of scale and get better investment income, which is going to reduce the burden on the municipalities. They will be safe, reduce the burden on the municipalities, and possibly relieve some of the upward movement when it comes to property taxes. I do want to make one thing clear. It's my understanding with the ... and I may have misspoke or I had misinformation, I don't think I misspoke. The people that are in favor of this, are the FOP, the Police Benevolent Protection Association, it is unclear and I don't... I'm not sure that the MAP, Metropolitan Association of Police, are actually in favor of this, so I don't want to say that they

70th Legislative Day

11/13/2019

are and misrepresent. Also, people from the City of Chicago, who like me can care about the Chicago Firemen, Chicago Police, they are no longer opposed to the Bill. And we made a commitment to them that we're going to work with them in the spring to try and address some of the Tier 2 inequities and work with them because of all of the hard work and the life risks that they take. So let me just say this, I think it's really simple. This is historic. We're going to be able to solidify these pension funds, it makes sense. I believe the Governor's Office has done a great job of putting this together. And I want to commend them and also commend all the staff on both sides of the aisle, as well as the Governor's Office, particularly Mary Cahill for all the work that she did. I ask for a favorable roll call."

Speaker Harris: "The question is, 'Shall Senate Bill 1300 pass?'
All those in favor vote 'yes'; those opposed vote 'no'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, please take the record. With a vote of 96 voting 'yes', 14 voting 'no', 3 voting 'present', Senate Bill 1300, having received a Constitutional Majority, is hereby declared passed. On page 3 of the Calendar appears Senate Bill 659. Mr. Clerk. 659, Representative Willis."

Clerk Hollman: "Senate Bill 659, a Bill for an Act concerning regulation. This Bill was read a second time on a previous day. No Committee Amendments. Floor Amendments 1, 2, 5, and 6 have been approved for consideration. Floor Amendment #1 is offered by Representative Willis."

Speaker Harris: "Representative Willis on the Floor Amendment 1."

70th Legislative Day

11/13/2019

Willis: "I don't believe we need Floor Amendment 1. Only 5 and 6, please."

Speaker Harris: "So you withdraw..."

Willis: "I withdraw Floor Amendment 1, please."

Speaker Harris: "Mr. Clerk."

Clerk Hollman: "Floor Amendment #2 is offered by Representative Willis."

Speaker Harris: "Representative Willis."

Willis: "I withdraw Floor Amendment 2."

Speaker Harris: "Mr. Clerk."

Clerk Hollman: "Floor Amendment #5 is offered by Representative Willis."

Speaker Harris: "Representative Willis."

Willis: "Floor Amendment 5 is a gut and replace and becomes the Bill. I'd like to... it increases the requirements for licensing for fire sprinkler inspectors. And I'll go further when we do the Bill."

Speaker Harris: "So, you would like to adopt the Amendment..."

Willis: "Please..."

Speaker Harris: "...and debate the Bill on Third?"

Willis: "...I would like to adopt it."

Speaker Harris: "Seeing no judgement, all those in favor say 'aye'; opposed say 'nay'. Amendment #5 is adopted. Mr. Clerk."

Clerk Hollman: "Floor Amendment #6 is offered by Representative Willis."

Speaker Harris: "Representative Willis."

Willis: "Floor Amendment 6 changes the effective date from immediate to June 2020. I would like to adopt the Amendment, please."

70th Legislative Day

11/13/2019

Speaker Harris: "Representative Willis moves that Floor Amendment 6 to Senate Bill 659 be adopted. All in favor say 'aye'; those opposed say 'nay'. In the opinion of the Chair, the 'ayes' have it. And Floor Amendment #6 is adopted. Mr. Clerk."

Clerk Hollman: "No further Amendments. No Motions are filed."

Speaker Harris: "Third Reading. Please read the Bill."

Clerk Hollman: "Senate Bill 659, a Bill for an Act concerning

regulation. Third Reading of this Senate Bill."

Speaker Harris: "Representative Willis."

"Thank you, Mr. Speaker. This Bill increases the Willis: requirements for those that do inspections of sprinkler Fire sprinkler contractor, licensing, systems. inspections. It goes from a NICET Level II, requiring as of 2022, a NICET Level III inspection certification. That gives them additional background, additional training on that. It does require a five year background on it. In order to be a NICET II inspector, you have to already have two years of experience on it. The other thing in here, also does, it allows those that are in an apprentice program, which is done through the Department of Labor, which is a five year apprentice program. They also do qualify for this. One of the things that we have found is that the ... oftentimes people are just inspecting, doing cursory inspections and do not understand the entire systems. So to avoid that, we're asking... we have found that there is a need for additional training and that's what this does. I want to bring one thing up to the attention because yesterday there was some concerns that this was going to reduce those that are in the pipeline to be able to get the NICET III training because it does take an

70th Legislative Day

11/13/2019

additional three years after NICET II. We did the numbers of those that are already at a NICET II training level. Ninety-two percent of those people will qualify for NICET III by the time that we want this to come into effect. And so that really does take that concern out of there. And with that, I will be happy to take questions and respectfully request an 'aye' vote."

Speaker Harris: "Representative Spain."

Spain: "Thank you, Mr. Speaker. An announcement. Please excuse Representative Ugaste for the remainder of the day."

Speaker Harris: "Thank you, Sir. Representative Wehrli."

Wehrli: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Harris: "She indicates she'll yield."

Wehrli: "Thank you. Leader Willis, we just discussed this Bill yesterday in Labor, but can you help me understand how many NICET Level III licensed inspectors are there right now?"

Willis: "We've heard various numbers. One of the numbers has come out is there are 31, but I'm not really... I have not been able to confirm that."

Wehrli: "Okay. Well we had an industry expert testify to that yesterday that is was 31, so we'll... for purposes, we'll just say it's about 31. So talk to me a little bit about the training that's required to go from NICET Level II to a NICET Level III. How extensive is that? Can you get that anywhere? As you're a NICET Level II, trying to get to your NICET Level III, can you actually do the inspections?"

Willis: "Under current law, yes, you can. You'll be able to because at... and even under this law, because we're giving it a two year term to be into place. So, if you are a NICET II

70th Legislative Day

11/13/2019

right now, for the next two years you'll be able to continue to do inspections, but we're hoping during that time that you're going to be working towards the NICET III Level. It is an online course that you can take. There are books and there are online tests, practice tests, and all that kind of stuff that goes with it..."

Wehrli: "So..."

Willis: "...and then there are testing sites throughout the state."

Wehrli: "Okay. And then, also in committee, we heard some concern that as you're doing this training, the way this law is written, you cannot actually do the inspections. That it's sort of like you can't get to a Level III because you're prohibited from doing these inspections unless you are a Level III, so..."

Willis: "That won't be until after 2023."

Wehrli: "Okay. Help me understand that."

Willis: "2022..."

Wehrli: "What..."

Willis: "2022 when it goes into effect. So, at that point, I mean, we're hoping that we'll have all of our NICET III at that level. You'll also be able to go into the apprenticeship program that the Department of Labor runs."

Wehrli: "So, under the apprenticeship program, you can do these inspections, but..."

Willis: "'Cause you'll be working as an apprentice under a NICET III, qualified inspector."

Wehrli: "Do we see any impact to building owners of having higher inspection costs because of this?"

70th Legislative Day

11/13/2019

- Willis: "No, I think it'd actually be a benefit to them because they'll have a more qualified inspection going through. The cost to go from a NICET II to a NICET III is truly minimal. There is... it's less than \$200 to take that additional certification."
- Wehrli: "So all right, we have some concerns about the costs, we have some concerns about the training, not the requirements so much, but the path to get there. If you look at the Bill, it sounds prohibitive, that you cannot be an inspector trying to get your inspector training, while doing inspections, which is really convoluted and confusing to be honest with you. So, to the Bill. This... I don't believe this Bill is ready for prime time yet. It seems like there's something that we can find, a path to get to these requirements to where they make logical sense, but right now I urge a 'no' vote."
- Speaker Harris: "Thank you. And we have a number of Members that turned on their lights, so we're going to move to the timer.

 Representative Skillicorn for five minutes."
- Skillicorn: "Thank you, Mr. Speaker. Will the Sponsor yield?"
 Speaker Harris: "She indicates she'll yield."
- Skillicorn: "Representative, where are the fire marshals on this?

 Do they support it or oppose it?"
- Willis: "The fire marshal is neutral on this. Part of that was part of the original Bill had a database that we were requesting the fire marshal to take care of, and he felt that was not something that was able to be done, but he is basically in support but has he's chosen to be neutral on the Bill."

70th Legislative Day

11/13/2019

- Skillicorn: "And then, you mentioned the difference between a NICET II and NICET III. Correct me if I'm wrong, but it requires a couple years more service to get from a II to a III, correct?"
- Willis: "Correct. For a NICET II, you need to have two years of basically internship working in it, and for a NICET III, you need to have five years."
- Skillicorn: "And to the Bill. These NICET requirements recommend that a NICET II has a 3 person supervise it, but that's not codified in law. And this came out in committee yesterday, in testimony from two actual people that do these inspections and earn... own firms that do these inspections. And they were basically saying that, if there was a compromise, and the compromise was that we codify in law that a III has to supervise a II, this would basically achieve what the intent of this Bill, yet actually enable them to provide these services at a lower cost. And it really comes down to cost on this because it isn't like we're going to have these II's become III's because it takes years to become a III from a II. So even though... the date that's going to be effective is a couple years down the road, it's still in a situation that we're going to have people that are not going to be qualified under III and it's only going to be a handful of people that are III's left and it's going to drive up costs for these inspections. It's also going to delay the inspections. We have a big state. Having 31 people having to travel around the state, there's going to be delays, and we're going to put ourselves at risk. So let's talk about the risk for a moment. If this was such a fire hazard, and such a big risk that we

70th Legislative Day

11/13/2019

have to pass this right now, without any compromise I might add, why is the effective date 3 years from now? And also, if this is such a big risk, if this is such a fire hazard, why are the fire marshals neutral? I say this should go back and to... go back and work on a compromise where we codify law that III's will supervise II's and that would satisfy everyone. Thank you."

Harris: "Representative Wheeler."

Wheeler: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Harris: "She indicates she'll yield."

Wheeler: "Thank you very much. Representative, in committee yesterday, there was a gentleman who employees a lot of people in my district, named Ed Bonifas. I didn't get to listen into all of his comments here, but he asked you a question about the certification process and how there'd be a gap. Can you address that for me please on the floor?"

Willis: "Well, I think that's one of the things that I recognized when I did my opening statement that currently, all the… 92 percent of those that are current NICET II's will qualify if they take the test, so they'll have the years of service in, to become a NICET III by the time that this stuff comes forth."

Wheeler: "Okay. So... but I think his concern had to do with going...

(unintelligible) moving forward from there was that because
the current Level II's can't do the actual testing, they are
not allowed then to use that time up in order to get to become
Level III."

70th Legislative Day

11/13/2019

Willis: "Well that is where we'll look at the apprentice program to continue on with that to get those people in the pipeline.

And that is part of what we're looking for and still..."

Wheeler: "Who runs the apprentice program?"

Willis: "The Department of Labor."

Wheeler: "The Illinois Department of Labor."

Willis: "Yes."

Wheeler: "Okay. Is that a... so you're making that a... effectively a mandatory requirement going forward?"

Willis: "I'm sorry. It's the U.S. Department of Labor."

Wheeler: "So, now we're making a U.S. Department of Labor program mandatory going forward for that training. That's the effect of the Bill, right?"

Willis: "Well... just a second. Let me double check something."

Wheeler: "Sure."

Willis: "So, it does allow them to be journeymen under NICET III, to use as part of that. I mean, it'd basically be the same as what we're supposed to have in there now, where NICET II doesn't do the inspection unless a NICET III is there supervising that. We're finding that that's not truly happening and this is going to make much more hands-on supervision requirements."

Wheeler: "So, okay. But if that's... if that were accurate, we wouldn't have opposition from Illinois Chamber, Associated Builders, IMA, Electronic Security Association, Alarm Detection Systems. Have you... I mean, I don't know why we're in a rush. Why are we in a rush? We've got three years to get this done apparently. Do we have to do this in a Veto Session?

70th Legislative Day

11/13/2019

Can we talk about this and try remove the opposition between now and January?"

Willis: "Well, I think one of the reasons we're doing it now is to give those that are in the pipeline as NICET II's as long as time as possible to get that certification in place. If we wait until next spring, we could possibly already cut eight months off of it or we'd have to change the dates even that much farther. I think we all recognize the sooner we have the better qualified inspectors, the better it will be for all of us."

Wheeler: "Well, I... okay. That seems like conjecture to me because, if we have opposition based on people who actually do this function in real life, right now, and concern from the business community about the fact that these inspections can't get done in a timely fashion and they're going to cost more..."

Willis: "It's not going to cost more."

Wheeler: "...why don't we take a pause for a couple months, figure out what the answers are, work collaboratively with the industry and stakeholders that are involved, and we'll still have three years to figure out how to get there through the process?"

Willis: "Well, I think that there's going to be some opposition that no matter what we do is not going to be in there, but we need to look at..."

Wheeler: "But have we worked on that?"

Willis: "...who are the proponents..."

70th Legislative Day

11/13/2019

- Wheeler: "I'm just... I'm just asking, has there been a give and take of dialogue on this Bill or is it just kind of like here we go, this is it."
- Willis: "There has been and I'm open to continuing that if, once we get it into place, if there's something that somebody wants to see changed that could make them take away it. But at this point, I think it's important that we get the system in place so that we can start those that are NICET II on that path to become NICET III's that much quicker."

Wheeler: "They can already do that now, correct?"

- Willis: "They could, but will they? And that's the thing. If we go and put in a requirement for them to go that, I think we have much better chance of that happening."
- Wheeler: "I... let me just put one other thing on the board here for the record. We're the going to require a U.S. Department of Labor program, apprenticeship program for people going forward after this three year process is over in order to ever be eligible to do this, correct?"

Willis: "Correct."

Wheeler: "And if the U.S. Department of Labor ever changes their program we're going to have to come back and visit this or if they alter it in some way we're putting the purview outside of us, of a system that actually works relatively well now is what my understanding is. So, I wish we could go back and actually have a discussion about this. I'm just going to go to the Bill, Kathy. I'm out of time, I apologize. Frankly, this Bill is not ready yet. There's a way forward in this, I believe, that's my understanding and I wish we had taken the time to do it. And a couple of months, that's not going to

70th Legislative Day

11/13/2019

make a huge difference on this, people. Let's take a pause and get it right."

Speaker Harris: "Representative Burke."

Burke: "Will the Sponsor yield?"

Speaker Harris: "She indicates she'll yield."

Burke: "So, this... would it be fair to say that this Bill is about safety, Representative?"

Willis: "Yes, it is."

Burke: "And making sure that our sprinkler inspections, which are done to protect people, are done by the most qualified individuals?"

Willis: "Yes, it is."

Burke: "And have you not put in a pathway that gives people a lot of time to get the certification that are recognized as the best for conducting these?"

Willis: "That is the whole goal and the reason why we're moving the Bill forward at this point in time."

Burke: "Well, I think this is an excellent Bill. I'm happy to support it and I urge the Body to support it."

Willis: "Thank you."

Speaker Harris: "Representative Willis to close."

Willis: "I think this Bill has the intent of making sure that our buildings are safer, that those inspections are done at the... by the most competent people. And I think this is something that we should not delay on. With that being said, I urge an 'aye' vote."

Speaker Harris: "The question is, 'Shall Senate Bill 659 pass?'

All those in favor vote 'aye'; those opposed vote 'nay'.

Voting is open. Have all voted who wish? Have all voted who

70th Legislative Day

11/13/2019

wish? Flowers, Stava-Murray, Swanson. Have all voted who wish? Mr. Clerk, please take the record. With a vote of 71 voting 'yes', 39 voting 'no', and 1 voting 'present', Senate Bill 659, having achieved a Constitutional Majority, is hereby declared passed. Page 5 of the Calendar, under the Order of Resolutions, we have House Resolution... Joint Resolution 90, Representative Ammons. Representative Ammons is recognized."

Ammons: "Thank you, Mr. Speaker. If you give me one second, I want to pull up 90 so I can see it ... in its full text. Okay, thank you so much for your patience. This Resolution before you is 1619 to 2019, which is a recognition... and if we could have attention because this is such a huge Resolution, Mr. Speaker. This recognition recognizes a sojourn in the loss of African Americans who have been enslaved in America. And it is a Resolution that identifies and recognizes Illinois' vibrant history of African American political struggles for democracy and freedom, that have widened the scope and deepened the state's and the United States' commitment to democracy and racial justice. This Resolution is designed particularly to recognize the year 1619, which is the year that is documented by the United States of the arrival of the first 20 or so enslaved Africans in the Americas. The year of return in 2019, this August, recognizes the 400 year sojourn of African Americans in this United States. The important part of this recognition is that those who are of African descent who were enslaved in bondage here in the United States have not received compensation or reparations or even, in some cases, acknowledgement of the 400 year sojourn. This

70th Legislative Day

11/13/2019

Resolution is an attempt on my behalf and on behalf of Professor Lou Turner, at the University of Illinois, to recognize the policy implications of the year 1619 and the 400 years that has transpired since that time. It also identifies vital issues and services that need to be memorialized on the transatlantic slave trade between Africa and the Americas. We urge, in this Resolution, adequate appropriations be made for the development of a comprehensive community quide, legislative agenda, and policies that address racial justice legislation to... for African Americans. And we also urge that there are actions taken by the State of Illinois to look at, not only the political struggle, but the social and economic struggle of African Americans throughout the State of Illinois. And with that, I ask this Body to support the adoption of this Resolution as it does speak to the issues and stakeholders in the African community, but more specifically in the State of Illinois and some of the historical incidents that have happened and transpired in our state. And so, with that, I ask this Body to support this Resolution by voting 'aye'."

Speaker Harris: "Representative... Representative Ammons has moved for the adoption of House Joint Resolution 90. All those in favor say 'aye'; those opposed say 'nay'. In the opinion of the Chair, the 'ayes' have it. And House Joint Resolution 90 is adopted. On page 6 of the Calendar appears House Resolution 603, Representative Robinson."

Robinson: "Thank you, Leader."

Speaker Harris: "Representative Robinson."

70th Legislative Day

11/13/2019

Robinson: "HR603 calls upon the Director of the Illinois Department of Health to expeditiously participate in the legislative public hearings, as well as hearings within communities so affected, in order to provide expert and public testimony concerning the amelioration of the disturbing and reversible public health threat. It urges additional appropriations to the state funding, along with any available federal dollars, to provide necessary prevention treatment services to the fight of HIV among African American and Latinx populations. The Illinois Department of Health has determined that African Americans and Latinx at risk for populations among the 5 demographics selected for funding beginning early 2019 and support of community development initiatives. According to the Chicago Department of Public Health, non-Hispanic African Americans were the most frequently diagnosed population, representing 58.5 percent of new HIV rates, 56.4 percent of AIDS diagnoses, and 55 of late diagnoses. Hispanic, Latino recently accounted for about one quarter of all HIV rates in the United States, despite representing about 18 percent of the total U.S. population. More than 20 percent of people living with HIV in the City of Chicago identify as Latinx with the highest risk and most marginalized populations. It is imperative that action be taken to halt new HIV infections among these at risk populations, specifically in the African American men and women, which continue at alarming rates that exceeds 80 percent while new cases of infection among the corresponding Caucasian demographics has dramatically decreased at a

70th Legislative Day

11/13/2019

- current rate of less than 20 percent. I ask this Body to support me in these efforts and for an 'aye' vote. Thank you." Speaker Harris: "Representative Robinson has moved for the adoption of House Resolution 603. All those in favor say 'aye'; all those opposed say 'nay'. In the opinion of the Chair, the 'ayes' have it. And House Resolution 603 is adopted. Mr. Clerk, committee announcements."
- Clerk Hollman: "The following committees will be meeting immediately after Session. The Executive Committee is meeting in Room 118. Veterans' Affairs is meeting in Room 122. And the Rules Committee will meet immediately after Session."

Speaker Harris: "Mr. Clerk, Agreed Resolutions."

- Clerk Hollman: "Agreed Resolutions. House Resolution 505, offered by Speaker Madigan. House Resolution 523, offered by Speaker Madigan. House Resolution 601, offered by Representative Unes. House Resolution 602, offered by Representative Yednock. House Resolution 604, offered by Representative Unes. House Resolution 605, offered by Representative Unes. House Resolution 606, offered by Representative Edly-Allen. House Resolution 607, offered by Representative Swanson. And House Resolution 608, offered by Representative Crespo."
- Speaker Harris: "Leader Willis moves for the adoption of the Agreed Resolutions. All those in favor say 'aye'; all the opposed say 'nay'. In the opinion of the Chair, the 'ayes' have it. And the Agreed Resolutions are adopted. And now, allowing perfunctory time for the Clerk, Leader Willis moves that the House stand adjourned until Thursday, November 14, at the hour of 9 a.m., 9 a.m. All those in favor say 'aye';

70th Legislative Day

11/13/2019

all those opposed say 'nay'. In the opinion of the Chair, the 'ayes' have it. And the House stands adjourned."

Clerk Hollman: "House Perfunctory Session will come to order. Committee Reports. Representative Harris, Chairperson from the Committee on Rules reports the following committee action taken on November 13, 2019: approved for consideration, referred to Second Reading is House Bill 141. Representative Kifowit, Chairperson from the Committee on Veterans' Affairs reports the following committee action taken on November 13, 2019: recommends be adopted is Floor Amendment(s) #1 to Senate Bill 83. Representative Welch, Chairperson from the Committee on Executive reports the following committee action taken on November 13, 2019: recommends be adopted Amendment(s) 1 to House Bill 377, Floor Amendment(s) #2 to Senate Bill 730. Introduction and First Reading of House Bills. House Bill 3963, offered by Representative Butler, a Bill for an Act concerning elections. House Bill 3964, offered by Representative Batinick, a Bill for an Act concerning elections. House Bill 3965, offered by Representative Welch, a Bill for an Act concerning regulation. House Bill 3966, offered by Representative Evans, a Bill for an Act concerning local government. House Bill 3967, offered by Representative Kifowit, a Bill for an Act concerning State government. House Bill 3968, offered by Representative Turner, a Bill for an Act concerning revenue. First Reading of these House Bills. Second Reading of Senate Bills. Senate Bill 471, a Bill for an Act concerning employment. Senate Bill 1756, a Bill for an Act concerning regulation. Second Reading of these Senate Bills. These will be held on the Order of Second Reading.

70th Legislative Day

11/13/2019

There being no further business, the House Perfunctory Session will stand adjourned."