

Speaker Telcser: "The House will come to order. Will the Members please be in their seats? This is a Regular Session, the prayer this morning will be by Doctor Johnson,"

Dr. Johnson: "...And in this commonwealth, hold positions of authority and leadership. Especially, we pray You, for those who sit in this House of Representatives. Replenish them with your grace...for all good councils and all just works, that peace and prosperity, truth and righteousness prevail among our people. In any way, are in peril or in need. We commend them..."

Speaker Telcser: "Roll Call for attendance."

Clerk Selcke: "Alsop, Anderson, Arnell, Barnes, Barry, Beatty, Beaupre, Berman, Bluthardt, Borchers, Boyle, Bradley, Brandt, Brinkmeier, Brummet, Caldwell, Calvo, Campbell, Capparelli, Capuzi, Carter, Catania, Chapman, Choate, Clabaugh, Collins, Craig, Cunningham, D'Arco, Davis, Day, Deavers, Dee, Deuster, DiPrima, Douglas, Duff, Ralph Dunn, R. L. Dunne, Dyer, Ebbesen, Epton, Ewell, Farley, Fary, Fennessey, Fleck, Flinn, Friedland, Garmisa, Geo-Karis, Getty, Gibbs, Giglio, Giorgi, Griesheimer, Grotberg, Hanahan, Harpstrite, Hart, Hill, Hirschfeld, Gene Hoffman, Ron Hoffman, J. Holloway, R. Holloway, D. Houlihan, J. Houlihan, Hudson, Hunsicker, Huskey, Hyde, Jacobs, Jaffe, Emil Jones, Dave Jones, Juckett, Katz, Keller, Kelly, Kempiners, Klosak, Kosinski, Kozubowski, Krause, Kriegsman, Kucharski, LaFleur, Lauer, Laurino, Lechowicz, Leinenweber, Lemke, Leon, Londrigan, Lundy, Macdonald, Madigan, Mahar, Mann, Maragos, Martin, Matijevich, McAuliffe, McAvoy, McClain, McCormick, McCourt, McGah, McGrew, McLendon, McMaster, McPartlin, Merlo, Kenny Miller, Tom Miller, Molloy, Mughanian, Murphy, Nardulli, Neff, North, Palmer, Pappas, Patrick, Peters, Philip, Pierce, Polk, Porter, Randolph, Rayson, Redmond, Rigney, Rose, Ryan, Sangmeister, Schisler, Schlickman, Schneider, Schoeberlein, Schraeder, Sevcik, Sharp, Shea, Shurtz, Timothy Simms, Ike Sims, Skinner, Soderstrom, Springer, Stedelin, Stiehl, Stone, Taylor, Telcser, Terzich, Thompson, Tipword, Totten, Tuerk, VonBoeckman, Waddell, Wall, R. Walsh, W. Walsh, Walters, Washburn,



Washington, Williams, J. J. Wolf, B. B. Wolfe, Yourell,
Mr. Speaker."

Speaker Telcser: "Okay...ah... Representative Pierce, for what purpose do you rise, sir?"

Pierce: "Mr. Speaker, may the Journal show that Representative Boyle is excused for his uncle's funeral?"

Speaker Telcser: "Okay, that will be journalized. Are there further announcements with respect to the attendance? Mr. Clerk? Okay, Resolutions?"

Clerk Selcke: "House Joint Resolution 81. W.D. Walsh. Resolved by the House of Representatives of the Seventy-eighth General Assembly of the State of Illinois, the Senate concurring herein, that when the House of Representatives adjourns on Friday, November 9, 1973, it stand adjourned until Tuesday, November 13, 1973 at 1 p.m. o'clock and when the Senate adjourns on Thursday, November 8, 1973, it stand adjourned until Tuesday, November 13, 1973 at 10:15 o'clock a.m."

Speaker Telcser: "The Gentleman from Cook, Representative William Walsh."

Walsh: "Mr. Speaker, this is the adjournment Resolution for the Regular Session and what it says is that when we leave here today, we're due back at 1:00 on Tuesday, November 13. This is the earliest time at any of the Sessions will convene, so when we leave here today, finally, we'll be back here at 1:00 on Tuesday the 13th and I move the adoption of the adjournment Resolution."

Speaker Telcser: "The Gentleman from Union, Representative Choate."

Choate: "I didn't hear the first part of the Resolution, I did hear the second part of the Resolution, which I certainly concur in which is to come back Tuesday, at 1:00. What was the first part? Fine."

Speaker Telcser: "The Gentleman has offered to move the adoption of the adjournment Resolution. All in favor signify by saying 'aye' and the opposed 'no'. The Resolution is adopted. Are there further Resolutions, Mr. Clerk?"



Clerk Selcke: "Yeah. House Resolution 609. Juckett et al. House Resolution 610. Giorgi et al. House Resolution 611. Yourell. House Resolution 612. Yourell. House Resolution 613. Yourell. House Resolution 614. Yourell."

Speaker Telcser: "The Gentleman from Cook, Representative William Walsh, with these Agreed Resolutions."

Walsh: "Mr. Speaker and Ladies and Gentlemen of the House, House Resolution 609 commends the Arlington Heights Park District for their joint efforts in achieving top five status, nationwide. House Resolution 610 commends the Polish Falcons of America in it's 507 Departments celebration of it's sixtieth anniversary and I knew you'd like that one. House Resolution 611 by Representative Yourell commends the Hazelgreen School Library, which was named in honor of William D...named the William D. Smith Library. House Resolution 612 commends the Worth-Palos Reporter, for its service to the many communities of Illinois, which is serves and House Resolution 613 commends Raymond Pettavino of Alsip, a serviceman for Illinois Bell Telephone Company, who has twice gone to the aid of people in distress. House Resolution 614 salutes the Blake-Lamb Funeral Home for their many past awards, for their most recent honor, which we haven't time to go into and Mr. Speaker, I move the adoption of the Agreed Resolutions."

Speaker Telcser: "All right, the Clerk tells me there are a couple more Agreed Resolutions, so if you can hold it for a couple seconds."

Walsh: "Oh, yeah. Here's House Resolution 616 which it's a good thing we got to because it congratulates our colleague, Frank Giglio on the occasion of his 40th birthday. Congratulations, Frank; and House Resolution 617, declares November 14, 1973 as WBBM News-



radio 78 50th anniversary day in the State of Illinois and I believe that's it, Mr. Speaker."

Speaker Telcser: "The Gentleman has offered..."

Walsh: "I move the adoption of the Agreed Resolution."

Speaker Telcser: "The Gentleman has offered to move the adoption of the Agreed Resolutions. All in favor 'aye', the opposed 'no'. The Resolutions are adopted."

Clerk Selcke: "House Resolution 616, Maragos. House Resolution 617, Randolph."

Speaker Telcser: "Introduction and First Reading of House Bills."

Clerk Selcke: "House Bill 2084. Yourell. Amends an Act relating to township purchasing. First Reading of the Bill. House Bill 2085. Polk et al. Consumer Credit Information Act. First Reading of the Bill."

Speaker Telcser: "We've got three matters on the Calendar today, in the Regular Session...ah... So if those three Members wish to have those veto motions called, would you please indicate so. In the meantime we'll take the Death Resolutions."

Clerk Selcke: "House Resolution 615, Krause et al. In respect of the memory of Mr. Francis 'Red' Foley."

Speaker Telcser: "The Gentleman from St. Clair, Representative Krause, offers to move the adoption of the Death Resolution. All in favor signify by saying 'aye', the opposed 'no'. The Resolution is adopted. Okay, on the Calendar today, is Representative Ebbesen on the Floor? Today will be the last day in which... Oh, I'm sorry, not Ebbesen, Collins. Collins, Phil Collins' matter's the last thing. Introduction and First Reading."

Clerk Selcke: "House Bill 2086. Shea. To permit the appointment of Naval Reserve Officers, First Reading of the Bill."



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Speaker Telcser: "Representative Collins on the Floor?

Okay, the Gentleman from Cook, Representative William Walsh, moves that the Regular Session do stand in recess until after the Third Special Session today. We'll give some of these Members a chance to get their Bill. Okay? All in favor of the Gentleman's motion signify by saying 'aye', the opposed 'no' and the Regular Session stands in recess until after the Third Special Session. The First Special Session will now come to order, the Members will please be in their seats. We recessed the Regular until after the Third Special. First Special Session has now come to order, the Members please be in their seats. The Gentleman from Cook, Representative William Walsh, asks leave to have the Attendance Roll Call of the Regular Session serve as the Roll Call for the First Special Session. All those...are there any objections? Hearing none, that will be the Roll Call. Resolutions."

Clerk Selcke: "House Joint Rescution 4. First Special Session. W. D. Walsh. Resolved by the House of Representatives of the Seventy-eighth General Assembly of the State of Illinois, the Senate concurring herein, that when the House of Representatives adjourns on Friday, November 9, 1973, it stand adjourned until Tuesday, November 13, 1973 at 1:30 o'clock and when the Senate adjourns on Thursday, November 8, 1973, it stand adjourned until Tuesday, November 13, 1973 at 10:30 o'clock a.m."

Speaker Telcser: "The Gentleman from Cook, Representative William Walsh."

Walsh: "This is the adjournment Resolution for the First Special Session and I move the adoption of the adjournment Resolution."

Speaker Telcser: "Is there any discussion? The Gentleman



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has offered to move the adoption of the adjournment Resolution. All in favor signify by saying 'aye', the opposed 'no'. The Resolution is adopted. The Gentleman from Cook, Representative William Walsh, now moves the First Special Session do stand in recess until the... I know... I got 18 recesses after the Third Special Session. Representative Shea, for what purpose do you rise?"

Shea: "We're...we're now recessed the regular until after the Third Special?"

Speaker Telcser: "The Regular is recessed until after the Third Special and Representative Walsh has now moved that we recess the First Special until after the recess of the Regular is called after the Third Special and that has adjourned."

Shea: "Listen, could you be like the coach in high school or, you know, Abe Gibren or something and get the chalk board so you could keep us up on where the plays are going?"

Speaker Telcser: "Well, anyway, the First Special is recessed until after the regular is re-convened and adjourned after the Third Special Session. All those in favor signify by saying 'aye', the opposed 'no'. The First Special Session does now stand in recess." I don't think I could if I had to... Second Special Session will now come to order. Will the Members please be in their seats. The Gentleman from Cook, Representative William Walsh asks leave to have the Attendance Roll Call of the Regular Session, used as the Roll Call for the Second Special Session. Are there any objections? Hearing none, that will be the Attendance Roll Call. Resolutions."

Clerk Selcke: "House Joint Resolution 4. Second Special Session. W. D. Walsh. Resolved by the House of Representatives of the Seventy-eighth General Assembly

of the State of Illinois, the Senate concurring herein, that when the House of Representative adjourns on Friday, November 9, 1973, it stand adjourned until Tuesday, November 13, 1973 at 2:30 o'clock; when the Senate adjourns on Thursday, November 8, 1973 it stand adjourned until Tuesday, November 13, 1973 at 10:30 o'clock a.m."

Speaker Telcser: "Is there any discussion? The Gentleman from Cook, Representative Shea."

Shea: "I keep hearing Friday. Are we planning on being in Session tomorrow, or go to...perfunct?"

Speaker Telcser: "No, perfunct."

Shea: "Thank you."

Speaker Telcser: "The Gentleman has offered to move the adoption of the adjournment Resolution. All in favor signify by saying 'aye', the opposed 'no'. The Resolution is adopted. The Gentleman from Cook, Representative William Walsh, now moves the Second Special Session do stand in recess until the... adjournment of the recessed, First Special Session, which will take place sometime after the Third Special Session today. All in favor...all in favor signify by... All those in favor of the Gentleman's motion signify by saying 'aye', the opposed 'no'. The Second Special Session does now stand in recess." "The Fourth Special Session will now come to order. Will the Members please be in their seats. The Gentleman from Cook, Representative William Walsh asks leave to have the attendance Roll Call from the Regular Session, this morning, serve as the attendance Roll Call for the Fourth Special Session. Are there any objections? Hearing none, that will be the Roll Call. Reso... Messages from the Senate."

Clerk Selcke: "Message from the Senate by Mr. Fernandes,



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Secretary. Mr. Speaker, I am directed to inform the House of Representatives, the Senate has adopted the following Senate Resolution to wit; Senate Resolution 3. Resolved by the Senate of the Seventy-eighth General Assembly, the Fourth Special Session of the Senate, the Secretary of the Senate to inform the House that a majority of the Members of the Senate assembled and so forth. Adopted by the Senate, October 30, 1973. Edward E. Fernandes, Secretary."

Speaker Telcser: "The Gentleman from Cook... Resolutions."

Clerk Selcke: "House Joint Resolution 2. Fourth Special Session. W. D. Walsh. Resolved by the House of Representatives, the Seventy-eighth General Assembly of the State of Illinois, the Senate concurring herein, that when the House of Representatives adjourns on Friday, November 9, 1973, it stand adjourned until Tuesday, November 13, 1973 at 3:30 o'clock p.m. and when the Senate adjourns on Thursday, November 8, 1973, it stand adjourned until Tuesday, November 13, 1973 at 11:30 o'clock a.m."

Speaker Telcser: "The Gentleman from Cook, Representative Walsh, offers to move the adoption of the adjournment Resolution. All in favor signify by saying 'aye', the opposed 'no'. The Resolution is adopted." The Gentleman from Cook, Representative Walsh, now moves that the Fourth Special Session do stand in recess until the recessed Session of the Second Special adjourns. All in favor of the Gentleman's motion signify by saying 'aye', the opposed 'no'. The Fourth Special Session does now stand in recess. The Third Special Session will now come to order. The Members please be in their seats. The Gentleman from Cook, Representative Walsh asks that...that the attendance Roll Call from this morning's Regular Session

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serve as the attendance Roll Call for the Third Special Session. Are there any objections? Hearing none, the attendance Roll Call from this morning's Regular Session, will serve as the Attendance Roll Call of the Third Special Session. Resolutions."

Clerk Selcke: "House Joint Resolution 5. Third Special Session

W. D. Walsh. Resolved by the House of Representatives of the Seventy-eighth General Assembly of the State of Illinois, the Senate concurring herein, that when the House of Representatives adjourns on Friday, November 9, 1973, it stand adjourned until Tuesday, November 13, 1973 at 2:45 o'clock p.m. and when the Senate adjourns on Thursday, November 8, 1973, it stand adjourned until Tuesday, November 13, 1973 at 12:00 noon."

Speaker Telcser: "The Gentleman from Cook, Representative William Walsh offers to move the adoption of the General Resolution. All in favor signify by saying 'aye', the opposed 'no'. The Resolution is adopted. The Gentleman from Cook, Representative William Walsh, now moves that the Third Special Session do resolve itself into a Committee of the Whole. Is there any...is there any discussion? Hearing none the Third Special Session is now in a Committee of the Whole and the Chairman of the Committee of the Whole will be Representative Clarence Neff."

Neff: "The Committee of the Whole will now come to order and we'll start in today where we left off last... yesterday evening and that will be on the mass transit Bills, which we're still on yet. Speaker Blair will be the first one called and these will be House Bills 15 through 25. That's where we stopped at yesterday. At this time the Chair will recognize Speaker Blair."



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Speaker Blair: "First I would like to make this comment, prior to going into my prepared remarks, that is that I think that these particular series of Bills have been wrongly labeled as the 'Blair Bills'. I think it ought to be made clear that substantially this package of Bills was developed as a result of Senate Joint Resolution 25, which mandated the Illinois Transportation Study Commission to hold hearings and to...ah...come up with a permanent financial solution within the six county area in northeastern Illinois. The Commission held those hearings and as Chairman of that Commission, I became the Chief Sponsor of this series of Bills. So, I think if we really referred to the Bills as the Transportation Commission Bills, that that would be a more accurate description. Now, in most respects, House Bills 15 through 25 are similar to House Bills 1958 through 1967, which were before the General Assembly last spring. Now, in these two Bills, in these new Bills, we have incorporated, if you'll give me your attention, I think we can move this thing along a little faster because what we're saying here is sort of important, with regard to these Bills."

Neff: "Pardon me, Mr. Speaker. I wonder if we can get a little bit quieter here on the Floor. There are many Members here sitting here trying to hear. We know it's hard to sit here and hear and if you folks that are holding conversation will hold them down or step back in the halls to hold your conversation it would be much appreciated by all the Members."

Speaker Blair: "What I'm doing is explaining the differences between these Bills and the time that the House devoted to hearing their counterparts last June and I think that that's important to understand. In these new



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Bills we have incorporated the Amendments offered to House Bills 1958 through 1967, which we were, which we felt were improvements and we actually discarded those which we felt were undesirable. Now, in addition to significant modifications to the earlier Legislation were incorporated into this Legislation. I think both of these are important. The first is a requirement of region wide referendum for establishment of the R.T.A. and secondly the R.T.A.'s regulatory powers over Public Transportation, limited to instances where the R.T.A. provides service directly or where the R.T.A. has purchased a service agreement or makes a financial grant to a transportation agency. Basically, this means that the R.T.A. would not...would not regulate taxes and that railroads and other private carriers who do not receive financial assistance from the R.T.A. would remain under the Illinois Commerce Commission regulations. Now, let me review the basic outlines of the Legislation as it now exists and then if you have questions we will be happy to try and answer them. House Bill 15 provides for the establishment of the Regional Transportation Authority or R.T.A. Included in the initial territory of the R.T.A. will be the six counties of Cook, DuPage, Kane, Lake, McHenry and Will. However, referendum approval by a majority of the electors in a six county area at the March, 1974 primary would be required for establishment. At least initially, it is expected the R.T.A. will operate primarily at arms length through purchase of service agreements with other transportation agencies who will perform the operational aspects of providing mass transportation services. Basically, this means that in return for financial assistance, these transportation agencies will submit to



the R.T.A. for regulation in terms of fares, routes, schedules, transfer privileges and so forth. Provision is made in the Legislation, however, for the R.T.A. to provide public transportation services directly in instances where desirable services can not be performed by another transportation agency or in the event that future developments warrant a more direct involvement by the R.T.A. in operations. The R.T.A. will be governed by a nine member board of directors. Eight members of the board to be selected as follows. Four directors are selected by the Mayor of the City of Chicago with the advice and consent of the City Council. Two directors are selected by a majority of those members of the Cook County board from outside the City of Chicago, with the concurrence of at least four such members required; and two directors are selected by a majority of the County Board Chairman, outside Cook County. The ninth board member, who will be the chairman and serve as the general manager of the R.T.A. will be chosen by a three-fourths or six out of the eight votes of the other directors. In addition a two-thirds, six of nine majority vote of the board is required to approve purchase of service agreements and financial grants. Thus, a balance of power, I think this is important, a balance of power is created as far as political control is concerned. Both the suburban area of the region and the City of Chicago have a veto over financial arrangements which unduly penalize one portion of the region, to the advantage of another portion. Now, we expect that the results will be responsible compromise leading to rapid evaporation of the parochial fears and jealousy which have hamstrung public transit in this area for so long. The R..."



Neff: "Mr. Speaker, let's hold up just a second. The noise is terrific in here. It sounds like a bunch of bees out there and not honeybees, I believe they'd be bumblebees in there at the rate of this noise. Now as we're going to stop here for a few minutes and see if we can get some order and you folks...ah... want to stay here, I'll stay as late as any of you and we've got lots of Bills here to hear yet today and we could be here until 8, 9:00 tonight. Everytime we stop why it's going to take us...so at this time now, if we'll quiet down then we'll start in."

Speaker Blair: "Now, the R.T.A. under...under the Commissions proposal will be funded totally from regional sources. Totally from regional sources. That is no money being appropriated from either the State Road Fund or from the State General Revenue Fund. And that local funding will come from a one-half cent sales tax, which in fiscal year 1975 will produce one hundred and seven million dollars. A parking tax for the first year, which will yield approximately ten million dollars and a cash contribution from the City of Chicago, which will yield fifteen million dollars. That's a total of one hundred and thirty-two million dollars. Now, our budget estimate indicates this level of funding is sufficient to devise an eight million dollar surplus in the R.T.A. first year of operation, fiscal year, 1975, provided and this is important, provided that we forego the twenty-five cent off seat bus fares, which have been discussed in the past. Now, originally the Commission in arriving at the need of the carriers in the districts put in twenty-five cents, reduced fares in the off peak hours. But, after discussing that with a number of people, the feeling evolved that why should we, at least initially, when we're talking about using



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tax revenues for our operating subsidy at the same time talk about reducing fares for the people who are using the services of the transit carriers? We felt that initially, to be fiscally conservative in this area, that we should not do that and it's significant because that twenty-five cent fare in the off peak hours costs twenty million dollars a year. So, we have deleted that provision. Now, if Federal funds become available in the near future for mass transit operating subsidies as appears almost certain, this level of funding will permit the R.T.A. to remain solvent, as we calculated and there are some variables here because of the differing amounts of money that are provided for in the Bills that are before the Congress now would permit the R.T.A. to remain solvent, as we see it, at least through the balance of the 1970s. Now, if not, if not, it will be possible for the R.T.A. to return to the Assembly and with a vote of confidence of the majority of the voters in the region to increase it's revenue base after it has formulated a plan, which will permit identification of the exact benefits to be received by different parts of the region. Again, that proposal would be one, as I see it, that would not involve any state funds but simply a broadening of the authority for raising revenues of the authority. Now, in addition to the R.T.A., House Bill...House Bill 16 would create a suburban transportation corporation to serve as a single unified spokesman of the suburban perspective. Much as the C.T.A. would present the central city perspective to the R.T.A. Board. In instances where appropriate and economic, the Suburban Transportation Corporation would purchase facilities and directly assume the operation of existing suburban bus companies. In



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instances the Suburban Transportation Corporation would serve to coordinate suburban transportation interests and act as a counterweight to the C.T.A. with its relationships to the R.T.A. board. The city...and this is important for all of us that live in the suburban and the outlying county area, I think, the City of Chicago would not be represented on the governing council of the Suburban Transportation Corporation. Actually, that's a 16 member board that is made up of trustees appointed by the trustees of the local mass transit districts and in area... in the geographical areas that are not within a local mass transit district on a population basis they would be appointed by the chairman of the county board of the respective counties. They would actually be handling the distribution of the operating subsidy money to suburban bus companies and to bus companies in the outlying counties as well as to the local mass transit districts and there would be nobody on that board from the City of Chicago. Now, the other Bills in this package merely amend various other existing Acts in this conformity with House Bill 15 and 19. Since the R.T.A. proposal, submitted by the administration and the City of Chicago, and I think this is important, since the R.T.A. proposal submitted by the administration and the City of Chicago also use House Bills 1958 through 1967 as a base, there are many areas of superficial similarities between the Bills. Let me take a moment. What I'm saying is, that the nuts and bolts of the administration Bill and of these Bills are very similar. If you can get into the area of perhaps 85 to 90 per cent of the language being the same. They use the Commission Bills as the base for their Bills. But, I would like to draw, now



your attention to some of the more significant points of difference. First, the Transportation Commission proposal with the addition of the Republican Leadership in the House and Senate thought that we should have this done by referendum, resulted in a referendum for establishment being put into this Legislation. The administration and... and that's Walker and Daley, their proposal does not have any referendum at all. Let me point out that in 22 states in this country where we have transit districts they required a referendum approval with respect to the creation of those districts and/or the operation of them. Now, this is a change from what our feeling was earlier, from a legal standpoint, those of you that are lawyers, I think, have probably given some thought to, what about the establishment of the municipal corporations with tax levying powers, but doing it without referendum? Under the old Constitution it clearly would have been unconstitutional, it was actually prohibited. Now, what about under the 1970 Constitution? Well, our lawyers indicated to us that it, at best, as a 50/50 chance that the courts would uphold a proposal such as the establishment of the R.T.A. and the municipal corporation without referendum, but that on balance, since there is an overriding public need being shown that the court would probably end up finding it Constitutional. Well, in order to obviate that, if we have it established by referendum, then clearly we do not have that particular legal problem and I think that's significant because we would accomplish the R.T.A. without referendum and it would then go up to the courts and be found unconstitutional. We'd be right back in here, I assume, putting it through with a referendum requirement. Secondly...ah..., I'm sure



that you all have been furnished with a copy and if you haven't why I'm sure that they can be made available of a poll that was taken in the last part of September concerning public attitudes towards the Regional Transportation Authority. It was done by Social Research Incorporated and it was prepared for them, it was prepared for the Taxpayers Federation of Illinois, whom we all know and respect, I think. And they had an interest in finding what the public felt about this and it actually breaks out the areas into the outer counties, the suburban areas, the City of Chicago and the conclusions that the general matter that you draw from the poll is that as a total region, better than 80 per cent of the people feel that their area ought to be in a Regional Transportation Authority. Now there is one additional factor, I think that's important to take into consideration with regards to that. It was clearly evident that along with that feeling that they did not want to support an R.T.A. with any tax increase and that the overwhelming method that the people in the area felt should be used, was the lottery. And then falling substantially behind that but none the less, substantially ahead of any other major taxation was the half cent sales tax wash out and that is exactly the way the question was put and the general conclusion that was drawn by the polling people from the Taxpayers Federation was to say that the overwhelming number of people that were polled indicated that they wanted their area to be in an R.T.A. but they did not want to have tax increase to provide for the funding of the R.T.A. It was for that reason that, the first reason I gave from a legal standpoint and secondly our confidence that on the basis of this poll that the people in the six

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county area would vote favorable for the establishment of the R.T.A. on the primary date that we have included in our proposal a regionwide referendum. And let me say too, there are other proposals certainly and there are ones that are being sincerely advanced about local option, if you will, opt in or opt out and I understand that it's politically popular back home to support that kind of position. As a matter of fact, I suppose, if I were to be motivated entirely by my own particular district situation that I would say 'Yes, that certainly is the way to proceed.' But, from the standpoint of this being a region or not a region, it seems to me that the question of referendum ought to be that we vote for it, up or down as a region, as a region because there's no way you can have part of a region. There's no way you can subsidize the Rock Island Railroad from the Cook County Line, into the City of Chicago and not subsidize it from the Cook County Line, into the City of Joliet. And the same is true with regard to the Burlington and the Northwestern, you can't part subsidize parts of a ride. You have to have it as a ... as a total region and for those of us who live in the suburban area and the outlying counties, if our people don't want to be an R.T.A., if they do not want an R.T.A., they have the political capability of defeating the R.T.A., because on the tier population basis there are 3,000...300,000 more people outside the City of Chicago, within the six county region, than there are in the City of Chicago. Now the Republican proposal would require transportation agencies, such as the C.T.A., to submit to regulatory control as a condition of receiving financial grants. Now, watch this one, especially those of you that are from the suburban area and the



GENERAL ASSEMBLY

STATE OF ILLINOIS

HOUSE OF REPRESENTATIVES

~~Walker-Daley proposal~~
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outlying five counties. The Walker-Daley proposal permits transportation agencies to receive financial grants without... without R.T.A. regulation of fares, routes, schedules and transfers. If this provision were to become law, we will quite likely see an effort on the part of the City of Chicago to continue business as usual with respect to the C.T.A. by holding key suburban projects captive. In other words, the language, which I am confident was drafted or grafted on to the commission proposal, grafted on, I assume, by the Corporation Council's Office of the City of Chicago, would enable the R.T.A. to simply funnel money right to the C.T.A. without any regulatory power at all, as far as regulation of fares or routes or schedules. In other words, a pure operating subsidy situation, which is not what we were, are attempting to do as far as the establishment of the region authority is concerned. Now thirdly, in the Republican proposal, there is provisions for financial grants but it couples with it the regulatory power by the R.T.A. and in order to build in efficiencies and to streamline services and so forth, you have to have that regulatory control. Our proposal provides for the creation of the Suburban Transportation Corporation, the Walker-Daley proposal does not and I think that's an obvious effort to apply the old principal of survive and conquer. Milton Pikarsky, if you ask him, will tell you that he is in opposition to the establishment of a Suburban Transportation Corporation. And I understand Milton's position because what he would like to see happen is the Chicago Transit Authority move out into the Cook County suburban area and actually take over the operations of the bus companies and so forth in the suburban Cook County. And he does not want another



agency created that would stand in the way of his accomplishment of that. Now, from his standpoint, I understand his feelings from the people in the suburban county, the suburban area and the outlying counties. I would certainly think that our proposal for the establishment of the Suburban Transportation Corporation would be far more satisfactory, especially since the Board of that Suburban Transportation Corporation would have no one on it from the City of Chicago. Our proposal preempts home rule powers of existing local units of government, the Walker-Daley proposal does not. The result of that approach, the Walker-Daley approach, quite likely would be a complete vulcanization of transportation services rather than a regionalization. Milton Pikarsky, yesterday said that he did not want to have the situation where home rule units, the City of Chicago and the twenty or more home rule units that are in the region being able to interfere with the operation of an R.T.A. And for that reason, I would assume that he would be in support of that part of our proposal which preempts home rule powers of local units of government. That's the only way, as we see it, that this can be a regional plan. Home rule units should not have the capability of interfering with the operation of a Regional Transportation Authority. Now, our proposal offers an adequate funding for the R.T.A. while still adhering to the principals of no tax increase and regional responsibility for transit subsidy. There was not a great deal of talk, as I recall, yesterday about the number of dollars that we're looking at... the number of dollars. What I suggest to you is, though, that a fair comparison would be zero as far as subsidy now and what this proposal is, is one hundred and thirty-two million dollars. In other words, going from zero



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subsidy to one hundred and thirty-two million dollars. That's a great deal of money. Actually the Democratic funding proposal provides less guarantee for funding, a hundred and five million, would require a tax increase which is bias against the suburbs where motor vehicle ownership is higher and would have disastrous downstate side effects in terms of the state road program. Now, I think there are some other witnesses here as proponents and perhaps we should follow the same procedure that we did yesterday. We could hear from them then we'd be... they will stay here and we would then be open for any questions."

Neff: "Thank you, Mr. Speaker. We will try the same format as we had yesterday. We'll ask all the witnesses to come up and testify, we'll ask them to stay until we're through and then we'll open up the questions and you folks that have questions may direct it, if you so desire to the particular witness. The first witness that I'm going to ask come up was here all day yesterday and did not get to testify and...ah... Representative Choate."

Choate: "Well Mr. Chairman, in as much as we're talking about public transportation I would like to, as you might call it, on a point of personal privilege, observe one thing that I think is cute. The St. Louis Post Dispatch, as of Thursday, November 8, has a front page headline that says, 'Inquiry on use of public funds to pay for Choate's private car.' Well, in as much as we're talking about public transportation, we're talking about public funds, I don't want anyone in this House to be misled like I'm sure that many people of the public will be misled that just happens to read headlines because if you read on down it says; 'A complex transaction in which Donald G. Choate Sr.,



an elected trustee of the Village of Mary Ridge.' Now, wherever in the devil Mary Ridge is, I don't know and who Donald G. Choate is, Sr., I don't know. But I want the St. Louis Post Dispatch to know that I really appreciate this headline."

Neff: "Thank you, Clyde, and if we can gather any information up on that where Mary Ridge is, why we'll be with you on it."

Choate: "I wish you would, Mr. Chairman. Find out if they've got public transportation."

Neff: "Speaker Blair."

Speaker Blair: "Yes, there is one error that I made and I'm sorry about it. That is, Mr. Garmisa, the Gentleman from Cook, said that he wished that I would stop referring to the Bills that he is the Sponsor of as the Walker-Daley Bills. They are the Garmisa Bills. So, I'll change that and so we're talking about the Garmisa Bills."

Neff: "The first witness I'm going to ask to come up is Hiram Holder. Hiram is executive director of the Illinois Petroleum Council and he's speaking as a proponent on House Bills 15 through 25. We're covering these Bills as a package."

Holder: "Thank you Mr. Chairman. I'm going to forego a formal statement to the Committee this morning. You've listened to an awful lot of testimony and I don't want to be repetitious. Instead of a formal statement, I'd like to just very quickly make three fast points. Our councils position on this whole transit situation favors Speaker Blair's Bills for the simple reason that rather than lean on the motorist for a great big bulk of the funding for these transit subsidy plans, he has a broad base plan of funding. We feel that this is essential. I'd like to point out also that within

the last three years, I believe it is, there are eight cities, nine including Chicago who have had similar transit problems as Chicago and the metropolitan area have had and they have gone to the route of a referendum. They have bitten the bullet and they have passed taxes on themselves to solve their transit problems. These were Real Estate taxes and I am not advocating a Real Estate tax as a fund... a funding source but it is a...it is a fact that Peoria, Springfield, Quad-cities, many others have gone this route to a broad base tax. I would like to make a final point and I think this is very, very essential to your decision making problems that you're facing right now. In my, in our judgement I think that the Taxpayers Federation study of what the people would like to have in the Chicago-land area in the way of a funding situation is one of the most important documents that I've seen in the last fifteen years having to do with transit funds and transit fund sources. It is impartial, it is utterly scientific, it is not the guess of an editorial writer from a newspaper or a television station. It is a...it is a thorough analysis of what the people in that region prefer; and Mr. Chairman, that concludes my remarks, I hope they've been short enough."

Neff: "Thank you, Hiram. If you'll stay around, there may be some questions that they want to direct at you; and the next witness I'm going to call is Preston Peeden. Preston is the Director of the Governmental Affairs, the Chicago Association of Commerce Industry and he's appearing today also on House Bill 15 as a proponent. Is Preston here? The Mayor of Evanston is also signing a witness as a proponent on House Bill 15, Edgan Banneman. Is the



Mayor here? These folks were all here yesterday and did sign these slips and...ah...I did want the records to show that they are hearing...appearing asked to appear as proponents, even though some of them evidently aren't here today. Yes, Mr. Hill."

Hill: "Mr. Chairman, I'd like to find out if you found the Mayor of Aurora?"

Neff: "Well, I'm going to...I'm going to call him pretty soon."

Hill: "Well, I certainly...If he isn't here, I'm going to object that you, if you try to include him as testifying for this Bill. If he's here I would appreciate if he would testify because there are some questions I would like to ask him."

Neff: "We certainly will call him and if he isn't here why, you'll have that right."

Hill: "Thank you."

Neff: "Mr. Peeden is on his way but, to fill in here, I'm going to ask Eleanor Wolf, Chairman of the Greater Lake County Mass Transit Districts, Eleanor is appearing here this morning as a proponent on House Bill 15."

Eleanor Wolf: "Once more, Ladies and Gentlemen, I'll say 'good morning'. You heard my words yesterday. I want you to keep them in mind, the only thing we're hoping and praying for, we do need aid on transportation in Lake County. Please try to get a compromise Bill. Don't let us down. I know people say they don't want it, but I'm not worried so much about status quo, I'm thinking of five years from now. So, please Ladies and Gentlemen, give us serious thought. The President brought out a fact this morning on the energy crisis, let's keep that in mind. Thank you so much for listening."

Neff: "Thank you, Eleanor, and they may have some questions for you if you'll be around after a bit. Is Mayor,



Albert McCoy here? The Mayor of Aurora? I would like the record to show that the Mayor was not here to be questioned yesterday, even though he did make a statement." ...Showed up now, Preston Peeden, the Director of Government Affairs, the Chicago Association of Commerce, that is appearing as a proponent on House Bill 15."

Peeden: "Mr. Chairman, inasmuch as my statement was circularized to the Membership yesterday, I won't take the time now to read it, except to reiterate the testimony is support of House Bill 12 is equally applicable to House Bill 15. I would like to suggest a system of financing contained in this statement if you'd bear with me for one minute or two. It's suggested as a matter of compromise in financing the R.T.A. proposal that it be funded for operating expenses as follows. 1) The receipts from the fare box. 2) The authority for the R.T.A. to impose a regional one-half per cent retailers occupation tax. The one-half per cent service occupation tax, which is a financing provided for in the Speaker's Bill. 3) That authority be granted from the R.T.A. to impose auto related taxes in a sufficient amount to be determined by the Legislature to adequately finance the operation of the R.T.A., provided that any such tax shall be limited in amount by stated percentage of some state fund. We urge your favorable consideration of this proposal as submitted and urge that you enact now, an R.T.A. for the six county metropolitan area. Thank you."

Neff: "Thank you Pres'. I don't believe that Mr. Terten is here...ah...representing the Community Railroads, is Mr. Terten here? Mr. Terten has signed a statement here that...that he is a proponent on House Bill 15, with Amendments. Also, I...Mr. John Robinson, the



Commuter Railroads of Chicago, I understand is not here this morning and he did sign a witness slip as a proponent on House Bill 15 and there is another party here that will answer questions on anything pertaining to the Commuter Railroads of Chicago. Mr. Mahoney also has signed a witness slip as a proponent on House Bill 15. He testified yesterday and he...ah...also did want to testify on House Bill 15. He's council for the Railroad Labor Organization. It is my understanding that he will not be able to be with us this morning. Mr. Dan Baldino. Is Mr. Dan Baldino here? Mr.... Is representing the Civic Federation. He is testifying as a proponent on House Bill 15."

Baldino: "Mr. Chairman and Members of the House. I am Dan Baldino, Director of Public Affairs for the Civic Federation of Chicago. I'm here to express our support for House Bill 15, in the Third Special Session. Earlier this year the Federation supported emergency operating subsidies for the C.T.A. We did so on the assumption that it was not only vitally needed at that time but that we'd get an R.T.A. proposal during the Spring Session. That has not been the case. We also thought that it was... time was needed to develop a program. More than eight months have now elapsed and the long term answers have not been found. We at the Civic Federation concentrate on taxes in fiscal matters but I'd like to make a few general observations before getting into that. First, we do not believe that continued operating subsidies of an emergency nature are the answers to solving the problems of mass transit in the Chicago metropolitan area. If we have another emergency operating subsidy, we're only going to delay establishment of an authority and

postpone the inevitable compromise. Second, we do not believe that a referendum is essential to creation of the authority. However, we do believe that as long as the R.T.A. members are appointed all taxing powers granted the authority should be within carefully prescribed limits. In at least one proposal before us, the authority is given a rather broad delegation of power to impose auto related taxes, except for elected homerule units. No other governmental body in the State of Illinois, which is appointed, has taxing powers unless they can be increased through referendum or by Legislative action. We think this should continue. Turning to the question of taxation and financing because that's one of the real problems here, essentially there are only three things that you can tax. You can tax income, you can tax property and you can tax transactions. No serious consideration has been given to an income tax for the obvious reason that it would be political dynamite, although much can be said for the benefits for such an approach. The tax can be made equitable, it can be easily administered, it has considerable revenue generating potential in the six county area. A personal income tax of one-half of one per cent would raise one hundred and forty-five million dollars and a one per cent tax, two hundred and ninety million dollars in the regions. Furthermore, there's a six to eight per cent gross potential built into the tax. Unless it's approved by the people, however, I think an income tax or any thought of it is academic. The property tax is a stable revenue producer. It generates more than three billion dollars in the State of Illinois but likewise it is politically unpalatable and probably economically unpalatable as well. It is



not a gross tax, that is generally recognized as the property taxpayers already overburdened and an extremely high regional rate would have to be levied in order to generate sufficient revenue. For a major source of revenue then, it seems to us a sales tax is an obvious candidate. It is the major revenue producer, it is second only to the income tax at the state level, it is a gross tax with a rate, an average annual rate increase of six to eight per cent and it is easily administered and collected on a piggy-back system. While it has some political liabilities, these are not nearly as pronounced as those associated with the income tax. More importantly in the context of an overall funding program, for R.T.A., it generates a significant amount of revenue. Approximately one hundred million dollars during fiscal 1975 and at the same time it's tied into the other major issue in these deliberations which is tax relief. Our position on these two related matters is this. We find acceptable a plan which grants statewide sales tax relief of one half cent and reimposes the one half cent tax in the six county region. Although residents of the six counties would not release...receive tax relief under such a plan, they would receive benefits. Improved transportation and there would be some improved transportation aspired toward increased economic activity. The one drawback to the sales tax plan is the loss of a hundred and seventy million dollars to the state. The differential between the sales tax reduction plan sponsored by Speaker Blair and that sponsored by the Governor, is seventy million dollars. However, in order to accomplish tax relief and finance an R.T.A. without a sales tax the Governor's program suggests funding proposals which



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in the long run and perhaps in the short run as well can be more costly to taxpayers while at the same time failing to provide at least one major revenue source for the R.T.A. I refer here to a constant grant of sixty million from the States General Revenue Fund, the use of a portion of Motor Vehicle License fees and the subsequent sale of bonds to replenish state road funds. The bonding program comes extremely close to borrowing for current expenses. It is a practice which we believe to be fiscally unsound. What we can be safe with under this plan is an illusory tax break for statewide we have already had a six hundred million dollar highway bond issue and if this four hundred and fifty million dollar is approved, three or four years down the road, we will be unable to meet the set service requirement. Given a loss of revenue from vehicle licenses. I'd also like to say that we do support the concept of the state lottery, while it's a modest revenue producer it should generate in the neighborhood of eighty to ninety million dollars annually. We think a portion...a portion of the lottery proceeds can be legitimately used for tax for this program. Thank you."

Neff: "Thank you Mr. Baldino. Now, is there any other proponents or opponents that haven't signed slips, that want to testify on these Bills? If not, then we're going to open it up for questioning at this time. Speaker Blair recognized."

Speaker Blair: "There is one additional piece of information which I've failed to mention. That is, looking at downstate cities that have mass transit districts...ah... they have provided their funding by referendum. Springfield, Peoria, Elgin, Rock Island, Moline, East Moline, Champaign-Urbana and then even in the City



of Chicago when they passed, I think it was six hundred million dollars for the subway improvement. That was done by a referendum in the City. In all of these cases, as I understand it, the referendum passed without difficulty. So, I just wanted to... I'll be happy to answer any questions."

Neff: "Representative Deuster, do you have some questions?"

Deuster: "Mr. Chairman, Mr. Speaker, Ladies and Gentlemen of the House. First, I want to congratulate the Speaker for the modification in his proposal which provides for a referendum. I think this provision in itself is probably one key provision that will help us get off dead center and I'm confident that in the region the system will be established and that it enjoys the popular support of the people. I do want to commend you, Mr. Speaker, for that modification in your proposal. I would like to ask one question. On page 22 of the proposal, House Bill 15, there's the provision for the establishment of the board and in Section C it indicates that for the five surrounding counties, two directors will be appointed by the Chairman of these County Boards by a majority vote of the County Chairman there and I wondered whether this is possible, Mr. Speaker. Would it be possible for the County Board Chairman of McHenry, DuPage and Kane to get together and appoint the two and they'd leave your county, Will and my county, Lake, out in the cold on this? Is that possible under either Bill?"

Speaker Blair: "Well, it's possible that there...ah... that the two from the outlying counties could either come from one county or the most two counties. So there...to answer you question there would be if that did...three counties that would end up not



having a person that resided in their area, if you will."

Deuster: "Mr. Speaker...ah...I appreciate that the board has been delicately balanced and that the Governor's Bill and your Bill both have this balance which reflects one man, one vote and I don't think any of us in the surrounding counties would want more vote than we're entitled to. Next week I will offer an Amendment to your Bill and I would like to ask your response to it and that is simply to say that we still give these surrounding counties just two votes. But we would give them five board members, each of whom would have what you call a weighted vote of two-fifths. Now, I'm wondering whether there's anything wrong with that. That would give us the psychological satisfaction of, I could go to my people in Lake County and you could go to your people in Will and the fellows from McHenry could go back there in Kane and DuPage and we'd say, at least we're going to have one person on the board. He can participate, he can listen, he can engage in the policy discussion but when they get to a Roll Call he just casts a two-fifths vote. Is there anything wrong with that or have you..."

Speaker Blair: "I certainly understand the thrust of your motivation and I think that Representative Katz had a similar type feeling back in May and June, when we accepted his advisory council concept which was to broaden citizen participation and to get those areas involved in that and I think that has a little flavor of it. The council has advised us that there are some very serious constitutional questions with regards to a weighted vote proposal such as you are suggesting."



Deuster: "Well, could I inquire what those constitutional objections are or could we take that up next week if you're not??"

Speaker Blair: "No...It doesn't make no difference. Whatever the membership desires, Mr. Deuster."

Duester: "What's in the Constitution that says Lake County can't have a voice on the board even if the fellow casts a two-fifths vote?? Why would that be unconstitutional? I can't see it."

Speaker Blair: "All right, well I...I'm not the council for the Commission, for the Transportation Commission is here and he can answer that question if...if you want to pursue that. I guess that..."

Duester: "Mr. Speaker, out of respect for the Membership I don't care to pursue it if no one is really prepared at this moment to respond. We can take it up next week. There will be an Amendment offered."

Speaker Blair: "Well, why don't we do this in order to save time. Why don't...Dick will be here and after you get through with your questioning you all could visit about the legal questions that he sees on...in that area."

Duester: "Fine. Now, the second and last question is simply this. I was pleased and encouraged to note the Garmisa Bill...the Garmisa Bill does have a provision that guarantees that two-thirds of the money raised in an area would be spent in a way that would benefit that area and we feel that this would be a fair guarantee of that everyone will get substantially his moneys worth out of R.T.A. and not just the assurance that as Mr. Pikarsky says, 'Oh, don't worry about it, the suburbs are going to benefit.' Well we've got to have it somewhere in the law so we can point to it and I was wondering if there was any...any reason why your Bill couldn't be modified



in that way too to give us that guarantee that a substantial portion of the money raised in Will or Lake or DuPage would be expended there."

Speaker Blair: "Yeah. Well, it had been our feeling all along that the question of the distribution of the operating subsidy within the region. There was a matter that, as far as local interests were concerned, that would be protected by the provision of...ah...6 out of 9 of the members of the board, have to yearly approve the budget and the budget would include the distribution of the subsidy. Now, as we see it there's no way, for example, that the Mayor of Chicago, even though he would control four votes, would be able to get the additional 2 votes from the suburban area or from the outlying counties without the...those two areas extracting back from the mayor's four people an equitable distribution of the operating subsidy. Now, my...my...my second comment with regard to the two-thirds, is simply this. That if that type of proposal is fair and equitable for the five outlying counties because on an individual county basis, they should have a percentage of revenues raised. Then I would trust that you would agree with me that no less fairly should that part of Cook County, outside of Chicago be treated because I certainly think that the Cook County suburban area, is as...identified an area as your County of Lake, and my County of Will and DuPage and McHenry and Kane. That if you are going to want to have the two-thirds provision that and if that would be the will of this Membership then by any measure of equity, by any measurement of fairness, you should be willing to modify the agreement further to provide that two-thirds, if that's the figure of the money raised from the suburban area of



Cook County, that part outside the City of Chicago would be spent in that area. Now, yesterday that question was put by the Gentleman from Cook, Mr. Totten, to Milton Pikarsky and he agreed with that although when I talked with him later he said he really didn't intend to. So, at some point you might want to pursue that with Mr. Pikarsky."

Deuster: "Well, Mr. Speaker, I'd like to say this. I'm delighted because obviously you've been reading my Bill. The Members from suburban Cook County, I'd like to direct your attention to House Bill 4 which has precisely that guarantee in it. Not only that but I think we should treat Chicago the same way and you'll find in House Bill 4, the proposal that two-thirds of the revenue raised in Chicago should be expended there, we don't want to siphon off their money out to the suburbs. Two-thirds of the money raised in suburban Cook should be spent there and two-thirds in each of the surrounding counties. It is in House Bill 4 and I'm delighted that you have recognized the equities that would require an extension of their basic principal to all the people in the area. I thank you."

Speaker Blair: "I've...I've accepted. I have not accepted. I understand and all I'm suggesting is that if you have the two-thirds provision that it should apply equally well to that part of the region that is in suburban Cook County. I do feel, however that you run into substantial operating questions with regard to this authority by tying the hands of it as to where the Revenue should be spent. I think you are creating substantial problems in connection with the issuance of bonds as to where the proceeds from the bonds are spent. I think that with regards to...ah...monies from this area...this



area...this area drawing back that you're reverting rather than that you are backing away from a regional concept. That you are bulkanizing the situation and just causing, not politically now, but strictly objectively, as I see it...ah...that would not be the preferable way to go. However, if the Membership should decide to go that way, then I certainly would say that the Cook County suburban area ought to have the same protection which you've indicated in your Bill."

Deuster: "Thank you, Mr. Speaker. I appreciate your response."

Neff: "Representative Schlickman."

Schlickman: "Thank you, Mr. Chairman. Mr. Speaker, I have a few questions with regard to House Bill 15 and I'm sure you appreciate that they are sympathetic to the question of a regional transportation system and that they are intended to alert us in lightening responses. I first direct your attention to Section 105, which is the section dealing with a referendum. Section 105, as I recall it, provides that the proper vision to be presented to the voters of the region shall be substantially as follows; Quote. 'Shall a regional transportation authority be created for Cook, DuPage, Kane, Lake, McHenry and Will County?' End of quote. Now we have four different R.T.A. propositions before the Legislature at this time and they vary in substantial degree or matter. With that simple proposition as regional transportation authority, how can we be assured that the voters will be fully informed as to what is meant or is involved as to R.T.A?"

Speaker Blair: "You quite obviously can't publish and distribute to everyone who would be voting...ah... the entire statute, the entire Bill content and I think



that the Election Code provides that when you submit proposals for referendum, that you can proceed in this fashion. I think there's a...you have to file the entire matter that is being acted upon someplace for public scrutiny and council advised us that this would satisfy any composition or statutory requirement as far as...ah...the adoption or the passage into law, then, of the...of the R.T.A. package. Be it this one or some other one."

Schlickman: "Would it not be feasible to treat this proposition in the same way that we treat Constitutional Amendments and provide that an objective description of the R.T.A. be reduced to writing and distributed to every registered voter in the state...in the region? This is required as a Constitutional Amendment."

Speaker Blair: "Yeah...I...That part of the proposal to which you refer says except as otherwise provided in the Act and the provisions of the Election Code as amended, shall apply at such referendum elections and to the extent that...that under Constitutional Amendments you would have the distribution that you refer to that certainly would not be objectionable or..."

Schlickman: "Okay. One more question with regard to Section 105. As I read the Bill, you would schedule this referendum in the March primary of 1974. Now, a primary is a political, partisan matter. People vote either as Republicans or as Democrats. In the March 1973 referendum, excuse me, March 1973 primary, only 37 per cent of the registered voters of this state voted. In the March, 1970 primary only 30 per cent of the registered voters of this state voted. It seems to me that by scheduling this referendum, which isn't a Republican matter, it isn't a Democrat matter. It's a people matter that we



effectively will be disenfranchising approximately 65 per cent of the registered voters in this state, who for one reason or another do not desire to identify themselves as Republicans or Democrats, consider themselves as Independents. And it would seem to me that by this referendum on it's primary election, we are not only disenfranchising well over one half of the registered voters of this state, we are injecting what I would hope we could remove is partisanship relative to R.T.A."

Speaker Blair: "Yes, well this is structured as a special election to be held concurrent with the primary election and of course there would be no requirement of disclosure of party affiliation in connection with receiving the ballot on this particular issue. Secondly...ah...our motivation here was a matter of dollars. The cost of a special election and the machinery is already set up at a primary election and it was our feeling that if there were to be a referendum we would save the taxpayers the money of a special election."

Schlickman: "Directing your attention to Section 207. The..."

Speaker Blair: "The lay question too...it was the closest time wise that we could see that we could get into the situation and...ah...as a matter of fact, the last time that Governor Walker and the Mayor and the Legislative leaders sat down to discuss it, the Governor himself proposed a regionwide referendum on the subject to be held on the primary date. So, the thought really is not unique in this proposal."

Schlickman: "Directing your attention to Section 207. Extracurricular authority. How far into either Wisconsin or Indiana could the R.T.A. go in the provision of service at the expense of the taxpayers in the region?"



Speaker Blair: "Well...ah... It obviously is not limited but it has to relate to service between Illinois and on the one hand, Indiana and service between Illinois and on the other hand, Wisconsin and that... Oh, and it has to take into account the financial contributions with regard to such service made or to be made from public funds in such areas served outside the metropolitan region."

Schlickman: "Directing your attention to Section 403.. There is a sentence in that section and I call it to not only your attention but to the attention of the Membership generally. There is this sentence and I read it as follows. 'All taxes authorized by this Section may be imposed in addition to any other taxes of whatever kind.' Now, I ask you, Mr. Speaker, couldn't this include a regional income tax?"

Speaker Blair: "The only way the municipal corporation that's involved here can do anything with regard to levying taxes with regard to the authority given to it by this Assembly and the only authority in this Legislation for the R.T.A. to levy is up to one-half cent sales tax. There is no other authority at all. So the answer to your question is 'no'."

Schlickman: "Well, I'll perseue that. What is meant by the word 'In addition to any other taxes of whatever kind.'? And it doesn't say whatever any other taxes or whatever kind prescribed or authorized, It ends with a period, which is open ended."

Speaker Blair: "No, what the reference is to is that the taxing authority that's given to the R.T.A. Board is authority for taxation in that particular area that is, in addition to whatever other taxes may be levied by duly authorized authority. Such as the state, such as local governments. It has nothing to do with the tax levying powers of the



authority itself."

Schlickman: "Section 4.02...Section 4.03 in it's entirety, as I recall, relates to the tax levying authority of R.T.A. Would you have... would you have any objection to the elimination of the word, 'In addition to any other taxes of whatever kind:?'?"

Speaker Blair: "Yeah...I'm sure it's a legal matter that the intent is as I've indicated to you...ah...this language is in every other taxing statute that we have on the books, I'm advised by council...ah...and it, just to make absolutely clear that there isn't any repealer going on of taxes that have been authorized by this Assembly for any other taxing body that the power to levy up to one-half cent sales tax, which is the only power that's given the board here is, in addition to whatever taxes may be imposed by anybody else in that particular area. Such as any other state taxes or any other local taxes." And I..."

Schlickman: "The authority...strike that. Transportation is a vital function but it's one of a number of functions in the region and R.T.A. will be one of a number of units of local government within a region. R.T.A. will have the authority under Section 206 to regulate street usage. It will have, under Section 2.13 eminent domain authority. Under Section 502 there is a provision to H.B. 15 is an expressed limitation on Home Rule powers. There's also a requirement in the Bill that R.T.A. developed an affirmative action program and that this affirmative action program is to be submitted to the State Fair Employment Practice Commission for approval. Now, in 1957 the Legislature created as the regional planning authority a Northeastern Illinois Planning Commission for the purpose of developing a sound and



comprehensive general plan for the six-county area to guide and coordinate the development of an adequate water supply, distribution system, storing up water and sewage disposal, integrated air, water rail and transportation system. the orderly arrangements of land. Why are the actions of R.T.A., eminent domain, the acquisition of land from either other units of local government without their permission, the acquisition of land from private interests, the matter of budgeting and planning. Why are these actions, which can be critical to the region like affirmative action programs, be subjected to the statutorily created regional planner to review and comment? So that we have proper interrelationship within the region and we don't have R.T.A. becoming the dominant force in effect within the region?"

Speaker Blair: "Well I'm delighted, actually, that you brought up the last part of that, the affirmative action program and I would like to call the attention of our good friend, the Gentleman from Cook, Mr. Davis, that the Garmisa Bill did not have any affirmative action program in them."

Schlickman: "It wasn't intended as the leading question, Mr. Speaker."

Speaker Blair: "You weren't setting... Well, Deacon, did you.. did you get that? Deacon? Well I wanted to call the attention to Mr. Davis, that the Garmisa Bills do not have any affirmative action program in them and that the proposal that we have under discussion now, does have an affirmative action program so I would suggest that you talk with Mr. Garmisa, to see if you can get the affirmative action program into his package. Now, with regard to the other question. Under section 212, we provide for coordination with planning agencies. That means that the R.T.A. would



coordinate it's planning with NIPC, among others but that we would not be subject to their control. and...ah...frankly what was thought here was that we should not have a situation where local units would be able to create an obstruction situation with regard to the operations of transit. I'm quite sure it's a practical matter that men have reasoned on the one hand, city council members, on the other hand the Board of the R.T.A., would be able to work out mutual accomodations with regards to the particular street routes and so forth...ah...over which the transit operations would be conducted so that that would...would not be a burden on...on local. Frankly, I think that what your question goes even deeper toward, Gene, is the fact that we...we need to have one central comprehensive planning agency for that area. I don't think that NIPC fits that description and I am as concerned as you about what our future federal grant situation is going to be in that area because we don't have a single comprehensive planning agency for land use and highways and transit and airports and so forth."

Schlickman: "That opens up a whole area for discussion as to why we don't and it's because the dominance in transportation within the region, but I won't go any further. Mr. Speaker, there is no provision in your Bill relative to the funding of the Regional Transportation Authority for levying a motor fuel tax. Now, I had read former Governor Ogilvie's task force on transportation report thoroughly and some of the people participated in that report assisted you last spring in the development of your program. And I recall in the discussion on funding within former Governor Ogilvie's task force report that there



were no opting for one method of funding or the other but that in the discussion of the gas tax there was a strong suggestion that it was the most appropriate method of funding a regional transportation system. And since that report, the City of Evanston, which has critical need relative to public transportation, levied a one cent gas tax by home rule authority and I've been advised by the Mayor of Evanston that the reaction in his community of levying a one-cent gas tax for public transportation has been favorably responded to to such an extent that he now wishes that the city had gone to five cents. Finally, on the subject of motor fuel tax levying authority, all of the surveys which I've been exposed to indicate that the people within the region, the taxpayers, find more favorable, they are more favorably disposed to the use of gas tax for the funding of public transportation than they are sales tax. And I'm wondering why your Bill, and it completely eliminates any authority with regard to levying of a gas tax unless it would be under that authority that you and I had discussed earlier in addition to any other taxes of whatever kind."

Speaker Blair: "No, it's not there. Let me say this. First place, the same people that were involved with the Governor's task force that included in their reports in January or February of this year the evaluation of the utilization of motor fuel tax to subsidize taxes, were the same people who advised Governor Ogilvie, as I recall back in 1969 or 1970 that in order to help the C.T.A. that we should have a Special Session for a one-half cent motor fuel tax increase for transit and if you'll recall, 'cause you were here then..."

Schlickman: "You and I've been together since 1965, Mr. Speaker."



GENERAL ASSEMBLY

STATE OF ILLINOIS

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Speaker Blair: "A Special Session was called and that went down, that idea went down the tube. So, there...there is at least a consistency between the people that were involved with the task force report and with the people that recommended to Governor Ogilvie that he call that Special Session to use the one-half cent motor fuel tax for it. Now, I take it from your comments concerning polls that you have not had an opportunity to...to study closely the Taxpayers Federation of Illinois poll that was taken the end of September..."

Schlickman: "Well I do have, Mr. Speaker, to discuss what Mr. Baldino, after you're finished too. On other matters."

Speaker Blair: "Yeah, well...he's. Is Dan with the Taxpayers or Civic Federation?"

Schlickman: "I'm sorry, you're correct."

Speaker Blair: "Yeah. I just...just, we had, on this poll and I think these speak...these percentage figures are interesting because this is a very scientific sampling. The categories that they had were very good idea, fair idea, not so good idea, very bad idea. Now, those are the categories and...and they broke the areas out in Chicago and then Cook County, DuPage, Lake and then Kane, Will and McHenry. In Kane, Will and McHenry 57.8% thought that adding to the sales tax on gasoline, about two cents a gallon, to finance the R.T.A., was a very bad idea. In DuPage and Lake 51.1% thought that it was a very bad idea. In Cook, 54.2 thought it was a very bad idea and then strangely enough, I expect you'd be as surprised as I about this, in the City of Chicago 46.4 felt that the use of the motor fuel tax was a very bad idea. Now, secondly the motor fuel now is only used for highways that coupled with license fees are the only sources of money available



for our highways. The only exception to that is, as you know, the power for local governments to use their motor fuel tax for transit. I would not like to see our starting in to preempt what is one of the two major and sole sources for funding of our highway systems. We never used any general revenue for the funding of highways and the last point that I want to make on that is, that we are on the threshold of seeing the price of motor fuel, skyrocket. I read, with interest, that by December 1, according to the Illinois Retail Gasoline Dealers' that the price per gallon will be 60¢ a gallon. And I just don't think that the people, considering the fact that it is skyrocketing, would be amenable to further increasing their motor fuel tax in addition to that kind of increase that we're seeing, by the imposition of 2¢ or even 5¢, such as you have suggested in the past, to that...to that figure."

Schlickman: "How many respondents were there to the Taxpayer Federation survey?"

Speaker Blair: "Well, there were 2,014, I think."

Schlickman: "A Member of our Body from suburban Cook County has conducted a survey and consolidated a number of other Legislative surveys and the responses to that survey and the number of respondents was greater than the Taxpayers' Federation, showed that the respondents favored the gas tax over the sales tax by 2 to 1."

Speaker Blair: "Well, that was not a scientific survey, as you're well aware and this was done by social research. People that are in the business and it was funded by the Taxpayers Federation which is a respected objective body. You can find polls..."

Schlickman: "Downstate groups, financed by businesses."

Speaker Blair: "I beg your pardon?"

Schlickman: "Downstate-oriented groups financed by businesses."



I have one further question, Mr. Speaker."

Speaker Blair: "I wanted to stay on the... You can probably find a poll taken by somebody that will support just about anything you want."

Schlickman: "I agree with you on that."

Speaker Blair: "I know that my own newspaper in Joliet ran a poll and it overwhelmingly showed that the people preferred, if they had a choice between a sales tax situation and a motor fuel to go with the sales tax. That is entirely consistent with the findings of Social Research Incorporated. The outlying counties to a greater degree find the motor fuel unacceptable because that's the means whereby they traverse the area. The closer in you get to the City of Chicago the greater the use of transit and therefore the less resistance to the imposition of the motor fuel tax increase."

Schlickman: "Well, perhaps the best way to resolve this, assuming for the moment that there would be a referendum, we should add to the proposition funding alternatives so that people could, all of the registered voters could participate in this decision. One further question, Mr. Speaker, and this is of a general nature though specific. You made much of the fact that you have a separate Bill, House Bill 16, that gives voice and participation to suburbanites by the creation of the Suburban Transportation Corporation. If S.T.C. is so important and so vital to your scheme, why is it that House Bill 15, the R.T.A. Bill makes no reference to the Suburban Transportation Corporation? Doesn't this mean that under House Bill 15, R.T.A. would have absolutely no responsibility towards Suburban Transportation Corporation, could completely ignore it and leave it a useless, ineffective body?"

Speaker Blair: "Yes. The Suburban Transportation Corporation



is a transportation agency, as that definition is spelled out in House Bill 15. And it will be operated in the same fashion, the relationship as the R.T.A. would have with other local mass transit districts. The Suburban Transportation Corporation concept is not unique with the Transportation Study Commission, it... That the people that were involved with the Governor's task force... ah... in order to create a ceiling of the kind that Mr. Deuster was expressing in so far as the suburbs and the outlying areas were concerned so that if they had a board that would be handling its subsidy... ah.. that would not have anybody from the City of Chicago on it that would be a preferable situation rather than being under the control of the R.T.A. By the same token, I might indicate that in House Bill 15, there's no mention of the Chicago Transit Authority either. The definition of transportation agency."

Schlickman: "All right, you agree then, that in House Bill 15, there is no specific expressed reference to the Suburban Transportation Corporation which is set up under House Bill 16."

Speaker Blair: "Yeah, that doesn't make any difference."

Schlickman: "And that in House Bill 15, there are no prescribed duties or responsibilities imposed upon R.T.A. relative to the Suburban Transportation Corporation?"

Speaker Blair: "None with regard to the Chicago Transit Authority or the Northwestern Railroad or the Rock Island or the Illinois Central."

Schlickman: "And that in fact, the R.T.A. board, could, completely and legally ignore the Suburban Transportation Corporation."

Speaker Blair: "And local mass transit districts, the Chicago Transit Authority and the North Western, the



Illinois Central and the Suburban Bus Company. They could do all those things but those are more imagined than real."

Schlickman: "Mr. Speaker, thank you very much for your enlightening responses. Mr. Chairman, may I ask Mr. Baldino a question?"

Neff: "Mr. Baldino, would you step up please?"

Schlickman: "Mr. Baldino, the Speaker, in his initial presentation made the statement that the Regional Transportation Authority, proposed in House Bill 15, was to be funded totally within the region, suggesting no statewide contribution or support of a financial nature. In your presentation you stated, I believe, that you were concerned about the Speaker's program, in that it would bring about a loss to the State's General Revenue Fund in the amount of 175,000,000 of dollars. Now, the Comptroller of the State, Mr. Lindberg, stated in late October, that such a drain from the State Treasury for the support of public transportation within the Chicago region would have one of three effects, in the alternative.

1. New revenue. I equate that to new taxes.
2. In the alternative a reduction in state appropriations for vital services such as Public Education, Mental Health, etc. or,
3. A sharp reduction in the state savings cushion. Now, he didn't go on, as I was corrected the day before yesterday. But an eminent authority relative to the state's fiscal health, I suggested that a sound savings cushion is indispensable for the credit of the state and to meet extraordinary emergencies. Now, would you mind suggesting to me which of the three alternatives the Civic Federation would opt for?"

Baldino: "Well first of all, Representative Schlickman."

Schlickman: "Yes, Mr. Baldino."



Baldino: "I should have written down the three options."

Schlickman: "I'll repeat them because they're rather ominous and dire. One is as a result of a one hundred and seventy-five million dollar drain on the State Treasury as proposed by the Speaker's package for the support of public education, public transportation within the region. The Comptroller of the state has said there are three alternatives, three consequences and we will have our choice of one of those three alternate, dire consequences. One is a new revenue to the state. The Comptroller didn't say increase in taxes but I don't know how else we'd come by new revenue to replace a one hundred and seventy-five million dollar loss to the General Revenue Fund. The second alternative, the second dire consequence as a result of the Speaker's funding program would be a sharp reduction in state appropriations for the purpose of Public Education, Mental Health, etc. The third dire consequence in the alternative would be a sharp reduction in the state's savings cushion. Now, without your commenting on whether or not the Comptroller is correct, I would like you to restrict your response to which of these three dire consequences the Civic Federation would opt for as a result of this one hundred and seventy-five million dollar drain on the state's General Revenue Fund? Just give me 1, 2 or 3 and I'll be satisfied."

Baldino: "I'd be speaking for myself, but...ah..."

Schlickman: "Are you saying that the Civic Federation in determining its support for House Bill 15 and the funding method didn't determine what the consequences would be?"

Baldino: "No. Representative Schlickman, in either program before the General Assembly, is it contemplated that approximately one hundred and seventy million dollars will be lost to the state? If you take...if you take one hundred and seventy million dollars, which would be the result of the reduction of the state's share

(con't on next page)



of the sales tax by one-half cent. Or, if you take the \$110,000,000 in the Governor's tax relief program, plus the \$60,000,000 grant. I think they pretty well balance out."

Schlickman: "Now, wait a minute, Mr. Baldino. With regard to the Governor's program, he does not look upon that tax relief measure of ten dollars per resident as a part of his transportation program. #1. So I don't think we can draw that in. They are divisible and separate, unlike the Speaker's program. #2. The Governor has provided a source of new revenue to replace the \$60,000,000 taken from the General Revenue Fund and it's new revenue that is not based on a new tax. So, let's not suggest that either the Governor or the Speaker's program of funding would result in the same drain, transportation...funding for transportation would result in the same drain on the State Treasury. You're not going to fool me, Dan. Now, I asked you a question. Which of the three alternates, dire consequences would you personally opt for?"

Baldino: "I think we would have to say we would opt for, if necessary, a reduction of state appropriations and a reordering of priorities. Okay?"

Schlickman: "Thank you. Thank you very much, Mr. Chairman."

Neff: "The Chair recognizes Harold Washington. Mr. Washington."

Washington: "Since the Speaker is sitting here, I can just turn and ask him. I have just a few questions of the Speaker in reference to this Bill. Mr. Speaker, you alluded several times or referred several times to a poll that had been conducted by the Taxpayers Federation. That poll was not, the results of that were not distributed to the Membership, were they?"



Speaker Blair: "I...I frankly don't know. But, I'll be happy to provide you with a copy of it."

Washington: "Yeah, I've inquired around. No one seems to have gotten a copy. But I don't have time to look at it now. Maybe he can just answer some questions."

Speaker Blair: "Okay."

Washington: "Give me the first circumstances of the poll. When was it taken? Where was it taken? What was the total sample. Roughly speaking, give me some geographical points that were touched upon."

Speaker Blair: "The...ah... The survey was designed to investigate public attitudes and opinions regarding the proposed R.T.A.. The main goals of the study were one, to examine the public's perceived needs for the R.T.A. Secondly, to evaluate attitudes towards proposed methods of financing the R.T.A. and three to evaluate attitudes toward proposed methods of managing the R.T.A. The sample for the research included two thousand and forty-six men and women from the six county area of Cook, DuPage, Kane, Lake, McHenry and Will. The respondents were interviewed by telephone. Watts lines were used by an independent data gathering service based and valid. Interviews were conducted between September 18 and September 22, 1973. The hours of the interviewing between 2 p.m. and 10 p.m. on week days and between 8:30 a.m. and 10 p.m. on Sundays. They...it was designed to reach the widest possible range, men and women, working persons and non-working potential response."

Washington: "Well in particular reference to the City of Chicago. Do you have the breakdown of the number of samples taken there?"

Speaker Blair: "The number of households as reported in the 1970 census was used to determine that proportion of the



51.

samples to be allotted to the City of Chicago and to each of the six counties. The number of households that were involved in the City of Chicago, the number of households in the 1970 census were one million, two hundred and eight thousand, seven hundred and eleven. The proposed sample was one thousand and fifty-five from the City of Chicago and the completed sample, actually used in the results was one thousand and seventy-two."

Washington: "Well, I'm...I'm certain we can agree that certain areas of the City of Chicago are more inclined and do use the C.T.A. more than other sections, geographical sections or even wards within the City. And my question is, was the particular or any emphasis given towards weighing in those districts which we know heavily use the C.T.A. or was it sort of a scattergun, rough sample approach? Was it weighted many ways, is what I'm trying to find out."

Speaker Blair: "Yeah, the polling is, was broken up on the data computer runs on the basis of the questions asked and a very detailed fashion so that the actual respondent...ah...that used commuter rail, that used the C.T.A. or that used car, that you can actually look at the survey and see what their attitudes were on a whole variety of questions. The...the important thing, it seems to me is that this is the only definitive poll that I know of that shows an overwhelming percentage of people. Be they in Chicago or outside that feel that their areas ought to be in the Regional Transportation Authority."

Washington: "I'm getting to the real core of my question and that is the sales tax problem."

Speaker Blair: "Oh, yeah."

Washington: "As you know. Now, I've touched base with



quite a few of the Legislators in the so called, intra-city. Roughly Madison Street to the southern limits, the Lake all the way over to Western Avenue, to me is intra. And their sounding seemed to refuse the conclusion of that poll that the people seem to be in favor of the sales tax as part of the funding for the proposed R.T.A. Our soundings are just the opposite. So, I'm concerned about that particular local in terms of the response to the question you posed as to where the funding should come from."

Speaker Blair: "All right. The...the best method for financing the R.T.A., that was the question that was put to a thousand and seventy-five people from the City of Chicago that were interviewed by telephone. That...Now, that was the question that was asked. All right? And the...the State Lottery was felt to be the method by the people in Chicago by 58.6%. The $\frac{1}{2}$ cent sales tax wash out and it was put that way that the reduction of the sales tax by $\frac{1}{2}$ cent and then the reinstatement of that, was favored by 20.2%. Then the use of tax on parking lots only by 5.6. A very significant drop off. The 2¢ a gallon gasoline tax, 4.1%. Toll-way tax 4.1%. Increases State Income Tax 1.2% and then Property Tax, Public Utilities were all under 1%."

Washington: "Well, I'm trying to pin it down to that general area that I described within the City of Chicago."

Speaker Blair: "Oh, well I'm sure that...that they could, on the basis of the data processing cards takes those cards for any particular area that you would be interested in in the City of Chicago and run that through the computer and give you that. This poll was not commissioned by me. It...ah..."

Washington: "I understand. Okay, fine. One other question, Mr. Speaker. Now, in House Bill 1958, if I recall



correctly, there was a section in there which provided for roll back of fares to 25¢. Am I correct? I'm paraphrasing very horribly."

Speaker Blair: "No, there was not that in 1958. But the funding that was proposed under those Bills in May and June did include 20,000,000 more than the funding we're proposing now and that 20,000,000 was to cover the cost of reduction of fares on the buses to 25¢ an hour in off-peak hours."

Washington: "And that's not in the present..."

Speaker Blair: "No, that is not in here and the reason, as I explained in my introductory remarks, was because we have been talking with people around, not just in Chicago but in the outlying areas and the thought was advanced and we felt that it was a pretty realistic thought that if we're talking now, for the first time, providing using tax revenues for operating subsidy, should we not, at least initially not talk in terms of reducing fares. In other words, using general tax revenues and reducing fares of the users. Should that not be something that should come along at a later time, perhaps; and that's why we felt that we would exclude that and it's not in this proposal."

Washington: "All right. My last question or two deals with the composition of the board. Now, as I read Senate Bill 1. Pardon me. House Bill 15. The board shall consist of nine members. Four from the City of Chicago, two from the suburban members of the board and two from the five other of the northeast county areas. What was the basic formula for determining which political subdivisions would get these number of representatives on that board? Was it a population figure used? Or how did you arrive at that?"

Speaker Blair: "In so far as I know, the nine, the eight member base board proposal attracts closer to a one-man,



one-vote situation than any of the other proposals that I have seen. Quite frankly, as I again said in my introductory remarks. It reflects a balance in so far as political control is concerned and that means that the Mayor would be appointing four. That the Commissioners in Cook County, outside the City of Chicago, all of whom are Republican would be coming up with two and the Chairman of the five county boards, all of whom are Republican would be coming up with two. So you end up with a board that would be structured politically, four Republican and four Democrats. They would select by a vote of six of the eight, the Chairman of the Board and more importantly, approval of budget every year would be required by six of the nine. So that there would be a good balance as we sought, politically as the Garmisa Bills reflect that same balance."

Washington: "Well, this is the thing that disturbs me, Mr. Speaker. There is an attempt to balance things politically and my concern was not that but rather to balance economic interests, balance the factors in terms of what region could be more financially in terms of it's economic value than another region. I think the...it's unrealistic to try to balance this thing, Democrat versus Republican. That's not the end all and be all in this world, you know."

Speaker Blair: "Well, it's a very practical consideration when you're talking about votes."

Washington: "All right, that may well be true, but over and beyond votes, we're talking about a system which may go on in perpetuity, when there may not be Democrats or Republicans, as such. I'm concerned about the economic interests. Further, I might add although the one-man, one-vote concept tugged at our heart-strings in terms of fairness, I'm not certain



that it is applicable to this political subdivision. It's my reading of the latest Supreme Court cases that that applies only to the redistricting of Congressional Districts. So I...You're not saying that you are mandating to apply that concept in the R.T.A. authority are you?"

Speaker Blair: "Absolutely not. But as a measure of fairness, I think you would agree that...ah...on questions of representation that there is an inherent fairness, if you can strive for a one man, one vote concept."

Washington: "Well, I..."

Speaker Blair: "I mean, that has produced substantial benefits in a number of areas of our country. As you might well appreciate."

Washington: "There's no question about it and I'm not fighting that. I'm just saying it may not be applicable across the board. But the concern that I have for the makeup of the board and this is not a Democrat versus suburban or downstate arguments. My problem with the board is that I nonestly think that the City of Chicago should have a majority on that board because I think the economic interest of the City of Chicago far outweighs the balance of the northeastern six county region and I don't know that anyone has addressed themselves to that question."

Speaker Blair: "I think they have and I think they decided it was a matter of pratical, political consideration that in order to establish an R.T.A. that that kind of thing that you're suggesting simply would not be available. I know the Mayor himself is satisfied with the board structured as we have it structured here and you and I both know that he has an overriding concern about the interest of the people of the City of Chicago."



Washington: "Well, I have great faith in the Mayor but I think I can take care of my interest better than the Mayor can and if he didn't make this argument then I think he fell down in his responsibility to at least my part of the City of Chicago. I won't ask anymore questions."

Speaker Blair: "There's nothing in the Garmisa Bill, as I might indicate to you that requires any reduction of fares either."

Washington: "I'm going to talk to Garmisa about that."

Speaker Blair: "And secondly talk to him about the..."

Washington: "Affirmative action?"

Speaker Blair: "Yeah. Garmisa doesn't have the affirmative action provisions in his proposal that we have in ours."

Washington: "Anything else you want me to talk to him about."

Speaker Blair: "Copies of the poll that poll were distributed to the Leadership on your side of the aisle and to the Governors Office and additional copies of the... of it are available on request and I'd be very happy to have one sent, given to you."

Washington: "Thank you."

Neff: "The noise level is getting a little higher. There's many Members sitting here attentively trying to hear these questions and answers and let's show them the courtesy of letting them be able to hear... This building isn't the best in the world on the noise level anyway and it's just real difficult for the Members to hear the questions and answers both. The Chair now recognizes, Mr. Skinner."

Skinner: "Mr. Speaker, I'm interested in how the original area could be expanded after the district is formed. Like how do we get DeKalb County in once this gets large enough to justify the same treatment that



McHenry's going to be subject to?"

Speaker Blair: "Oh yeah?... You have to initially have an ordinance by the County Board of the particular county that would be involved in it's entirety or any part thereof. A similar ordinance passed by the R.T.A. Board and then a referendum within that particular area voting on the proposition to annex."

Skinner: "I'm sure you realize there's a little bit of irony that they should be allowed a referendum by county and other counties in the original proposal would not be."

Speaker Blair: "No, I don't.. Because what we look at are the fingers coming out from the hub of the City of Chicago and where those commuter rails go out and there...there is commuter service provided into each of the counties that is in the various proposals that we have before us. Additional areas that might not be the case and there would have to be some benefits, I would suppose that the people in that particular area would see coming to them before they would vote to come in."

Skinner: "Well there...the present fingers, as you put it, run into Indiana and into Wisconsin. I am still worried about subsidizing non-residents of... with my tax dollars and I don't want to do that. Is there any provision whereby subsidy would be precluded by these people, for these people?"

Speaker Blair: "We've answered that..."

Skinner: "I understand that both the Indiana and the Wisconsin Legislature have refused subsidy and I... If they're not willing to subsidize then I'm not."

Speaker Blair: "Well, the language in the Act that I referred to earlier makes it clear that the financial... On page 10, 'In regard to any such agreement or grant, the authority shall consider the benefits to the



metropolitan region and the financial contribution with regard to such service made or to be made from public funds in such areas as served outside the metropolitan region.' That means that, I'm sure, that if there were no...ah...contributions being made in the areas outside the State of Illinois that the R.T.A Board would not be into any subsidy of transits that would flow between Illinois and Indiana or Illinois and Wisconsin."

Skinner: "Well, I believe that your..."

Speaker Blair: "Oh yes and you would need, in any event the two-thirds vote of the R.T.A. Board for the approval of the funding on a yearly basis."

Skinner: "All right, would you tell me, you used this argument in debate last year that you can't subsidize part of a train ride of, I believe the Pensey is almost filled by the time it gets to Illinois and I don't know, you know, are you considering subsidizing that line?" The one that comes from Terra Haute, that parallels, parallels that Amtrack train that we take down to Springfield."

Speaker Blair: "Well I...I don't think the fact of the matter, there's been any discussion with any of the rail carriers concerning interstate movement of that magnitude. It would be up to the R.T.A. Board. I don't see how that's commuter service."

Skinner: "Well, it certainly is commuter, they come in every day."

Speaker Blair: "It is? From Terre Haute?"

Skinner: "Well, Terre Haute... what's on the front of the train? That's probably where it starts. Lake Geneva, I know better. You know, we must have all of twenty-five people, twenty-five millionaires commuting from Lake Geneva and I see no reason to subsidize them. Now is there a way to prohibit a subsidy?"

Speaker Blair: "Well, you can put such restrictions on the



R.T.A. Board as you might want. The more restrictions you put on it...ah...the less viable, in my judgement, you make it. I would expect that the members of the board from the outlying counties, whatever that board ends up being structured with and the members of the board from suburban Cook County would not approve any subsidy situations for transit outside the State of Illinois that would bring commuters into the City of Chicago unless there were commensurate subsidies coming from those areas outside the City of Chicago, outside the State of Illinois. I can't speak for the board but I would just feel confident that they would not do that. They certainly would not have any motivation to do it as I would see it. Why, really, should they? I mean I just don't..."

Skinner: "Well I can't think of a reason, that's why I can't think of why we wouldn't put it in the Legislation."

Speaker Blair: "Well, as I say, you can offer Amendments that can in...that in a great number of ways can restrict the power of the R.T.A. and all I suggest is that there is probably a need to be careful in that area. I appreciate the protection that you're after on the one hand and on the other hand from an objective standpoint I think that if you tie the hands, completely, of the board there really probably would not be a need to have any of them."

Skinner: "Mr. Speaker, it just boils down to a matter of trust. Now, if you were going to resign and become Chairman of the R.T.A., I would have a heck of a lot more trust than talking about nine completely anonymous individuals whose background and ability to sell out, excuse me, to make arrangements with how



the money is spent over which I'll have no control."

Speaker Blair: "As I say, I think what you do in that area, if you have very strong feelings about it, you...you simply propose Amendments. I...to the Legislation and if it's the will of the Membership then that's what we'll put in and I think you should, if you carefully count language...ah...that a variety of these circumstances that you're referring to could be built in as protection and I would certainly be amenable to entertaining those Amendments if you wanted to submit any and all of them."

Totten: "The Gentleman from Kane, Mr. Friedland."

Friedland: "Thank you, Mr. Chairman. Mr. Speaker, on page 31 of House Bill 15 is described the Motor Vehicle Parking Tax Provision. Could you tell me please how and where envision that this section would be implemented?"

Speaker Blair: "Yeah, this of course is a broad authority that is given to the board and they would prescribe where that parking tax would be imposed. It would not, I would feel confident, of course, be providing any such tax on park and ride facilities, that sort of thing. We felt that the primary impact in all probability would be in the City of Chicago."

Friedland: "In the garage facilities? Or near commuter..."

Speaker Blair: "No, I just said those park and rides. I'm saying that the board, the power given to the board is broad enough to put the parking tax on in whatever classification that it wanted to do so in the entire region. Now, it's a practical matter if you ask me what the board will do. I could just venture a guess and that is that you would not see it providing any such parking tax on parking and ride facilities because the park and ride facilities is a facility that's provided to induce



people to use the commuter rail service. So, it would seem to me it would be working against the very purposes for which the R.T.A. would be created for them to...to tax that particular facility. When you try to circumscribe the power of the R.T.A. board with regard to that you do run into some...some difficulty in doing it and I think it, that your question's a good question. It's like Cal's question...ah... What you do about it, I'm not quite sure. You can put Amendments on trying to circumscribe where that could be done or you rely upon the board itself to use it's good judgement...ah...with regard to the imposition and classification of that revenue source."

Friedland: "Thank you."

Totten: "The Gentleman from Cook, Representative Dunn."

Dunn: "Bob, you have some bonding provisions in that Bill, don't you? I..."

Speaker Blair: "Yes, they're identical, I think, to the bonding, the Garmisa Bill listed the bonding provisions that were in our Bill in 1958 practically word for word."

Dunn: "I'm, I think the opt in the R.T.A. would be one that would own and operate in entirety all the equipment and services. How do you feel about the possibility of authorizing the type of bonding that would enable us to raise the funds to purchase outright the equipment of the railroads and the C.T.A. and so forth and literally operate it rather than purchasing services?"

Speaker Blair: "Well, I think..."

Dunn: "And are there any estimates of the cost of this?"

Speaker Blair: "I think that we provide an authorization for five hundred million dollars worth of bonds. The



indication is that taking into consideration transfers of public equipment as such, that bond authorization in that magnitude would put the authority in the position of taking over the equipment of the carriers in the area. The testimony before the Transportation Commission concerning whether or not at the outset you go in on purchase of service agreements or you go in and take over the operation, was that in the latter category, that had not been done anyplace in the country. That it is too large a first step to start from zero, with regard to organization and whatnot that there are substantial labor problems that you get into when you put a public agency, a brand new one such as this is at the outset, into operations. And that the preferable way and the way it's been done around the country has been to go to purchase of service route and...but we have provided, I think the...in this Legislation, the opportunity for as quickly as it would decide that it would be the proper and right thing to do before the R.T.A. to actually purchase the capital equipment and go into operations itself."

Dunn: "Would they have to...would the board have to come back to the Legislature to, for authorization or could they, if this Bill passes, would they, could they make a decision to go that route?"

Speaker Blair: "They, the council...council advises me that the language is drafted broadly enough so that the board itself could make that decision and the only thing that they would have to come back to the Legislature for would be any additional funding that might be required from the standpoint of additional tax levying powers in the district to handle the funding of the bonds."



Dunn: "All right, thank you."

Totten: "Are there any other questions of the Sponsor?
Speaker Blair, would you like to close?"

Speaker Blair: "We don't have anything else. Do we?
Thank you for your attention."

Totten: "All right, the next Bill we have is House Bill 39.
Representative Katz. House Bill 39 and 40.

Totten: "For what purpose do you arise?"

Schlickman: "Mr. Chairman, with respect to House Bills 39
and 40, are there copies available for the Membership?"

Katz: "Yes, as far as I know, copies have been distributed
but they are boxed in the room back there and you
can get one, I know, in the Democratic room to
the right. They have been reproduced and..."

Schlickman: "May I suggest, as a Member of this House,
I'm entitled to have one delivered to me instead
of my looking for one and I would appreciate a copy."

Katz: "Well...Gene you do understand that I had
nothing to do with the distribution of copies. I'm
sure that the people who run the House will see that
they're distributed. They're back there and I
would like for them to be distributed because there
is nothing that would sell these Bills as much as
the Bills themselves. I want to tell you that..."

Schlickman: "Harold, I'm trying to help you."

Katz: "Right, are they in the mailboxes?"

Totten: "It is my understanding that these Bills are in
each Members mailbox and if they'd like to pick
them up there they could do it."

Katz: "I'm told by Representative Juckett that they are
in the box. I can also tell you that there are
two boxes of them in the Democratic mailroom on
the right and I would very much hope that if you
don't have one and would like one that you would go and



and get it. Now, I think that it is very clear, Mr. Speaker and my colleagues here in the House, that there is no subject of such overriding public importance certainly in the metropolitan Chicago area as the question of rapid transit and a reasonable effective, efficient public transportation system. The developments in the Middle East in terms of the problems of oil supply are coupled with the general energy crisis, make it such that it would be totally irresponsible for us not to provide an alternative to the public in the metropolitan area to using the oil and gasoline in unnecessary automobile transportation by not providing a public transportation system. And a group of us whose names I would like to mention here because this is a joint effort, it is a bipartisan effort. Representative Gene Hoffman and Joseph Lundy and Bob Dunn and Bill Redmond and Adeline Geo-Karis and Mike Getty. Want to give me that list there. And John Porter and a few other people who...no... Joe McGah and Vince Malloy, Jim Houlihan, Jim McCourt and the others here who would like to join with us, we believe that there should be a viable alternative proposal for R.T.A. in the event that the Bills that have been sponsored by the major party leaders are not able to garner the requisite number of votes. And I would like to tell you that the procedure by which this came about was that we had made a conscientious effort to study the Blair Bill and the Governor's Bill and to try to pick out from those Bills the items that we felt would make for the best transportation... If I was misadvised with reference to any of the co-sponsorships, I regret that. Mr. Houlihan indicates that he is not among the lucky group that is co-sponsoring



this Bill but I was misadvised and it is only your loss, Representative Houlihan, because this is the Bill that has so very much to commend it and I would like to tell you about what is good about this Bill. In the first place, we provide adequate funding, picking up what we think are the best provisions in the Governor's Bill and Speaker Blair's Bill. You're welcome, Mr. Speaker. And adding some additional changes that we think make the Bill much more acceptable to the public and much more acceptable to both parties. Now, the funding of the Bill consists of the following. We pick up the funding of the R.T.A. from auto-related taxes in the same way that the Governor did, with a few changes, however, that we think are important. First of all, you'll recall that the Governor has used auto license fees in an amount of \$15.00 or \$7.50 for first class passenger cars. We do that also but we add one half of the amount, which that now is, so that there is built in, whichever is greater there is built in the possibility of increases for the R.T.A. for the future as it's costs increase and as in the normal course of events license fees are increased. Downstate, however, we make an important change with reference to the license fees, that we think will particularly commend the Bill to downstaters. Under the Governor's proposal, the \$15.00 collected from the license fee in the downstate areas would go to the local counties for auto or road or transit related purposes. We, instead of doing that, leave the money downstate in the Road Fund. We provide that it shall be used in the Road Fund only for state highway construction and maintenance purposes in the 96 counties where it is raised. So, that the Road Fund is not disturbed from it's very important use



of building state highway programs downstate. We think that there is a lot to be said for it, we also think that in the R.T.A. area that the proposal to use it for the R.T.A. is a very excellent source of funding that would raise \$45,000,000 of the funds needed. In addition, we incorporate the gasoline tax, as proposed by the Governor, but we do add a maximum permissible amount of five per cent and this would raise \$55,000,000 and a parking tax we permit to be imposed by the R.T.A. because it is an excellent source of revenue and it is only fair that people who enjoy the advantages of a transportation system, contribute. Now, in addition to the auto license fees, the gasoline tax and the parking tax, we then pick up and modify a provision in Speaker Blair's Bill. You'll recall that he relied for the funding of the R.T.A. on a half a cent decrease in the Sales Tax. In the six county area he would permit that to be reimposed by the R.T.A. so that in the six county area, the sales tax would remain the same. It would thus raise \$105,000,000 for R.T.A. Outside of the six county area it would reduce the Sales Tax by half a cent and the rest of Illinois. Now, we do two things that we think are very important. In the first place, we had serious questions about whether or not the state can afford the loss of a \$170,000,000 in revenue and so rather than making the reduction or the change a half a cent, we make it a quarter cent. But, in the 96 counties downstate, rather than simply reducing the Sales Tax, which nobody has asked for, we put it into a special fund that funnels into the County Treasurer to abate Real Estate Taxes in the various downstate counties in proportion to the collection of the Sales



Taxes in that county. Now, we best believe that that excellent mechanism that the Speaker came up with, which is the use of the Sales Tax, which is a very excellent mechanism for funding that rather than actually reducing the tax, resulting...which would result in reducing a tax that nobody really wants reduced and also having lack of uniformity in the State of Illinois so that the Sales Tax is different in one part of the state than the rest of the state, we funnel that Sales Tax money into abating the one kind of tax that is really the tax problem in Illinois and that is the Real Estate Taxes. We think that everybody here recognizes that the Real Estate Tax is the most onerous kind of tax in Illinois that is making the ownership of property 'consistitory' and we believe that both parties should welcome the use of this money for reducing Real Estate Taxes in Illinois. Now, in addition to that, we previously heard the Speaker optimistically predict that there would be federal operating subsidies available. I was very glad to hear the Speaker say that because under our plan, as federal operating subsidies become available, the Sales Tax would be used in the six county area for the same purpose that it is used downstate, which is to abate Real Estate Taxes in that six county area. Thus, this is a Bill that provides the potentiality of tax relief throughout the State of Illinois, that has been I know a principal objective of our Governor and I'm sure a principal objective of all of us. However, we do not make the mistake of enjoying those federal operating subsidies before we get them, because as I read the very excellent proposal of the Speaker, he is terribly confident we will have operating subsidies, in fact



he is so confident of that that he is willing to let the running of the C.T.A. depend upon whether we get it or not. We think that that is rather risky. We would prefer to have adequate funding for the R.T.A. and then when the federal operating subsidies come in we will then put that money in Real Estate, Property Tax abatement which I think in our heart of hearts everyone here recognizes is really the principal desire of the people of Illinois. I dare say that I've been here ten years and I don't think I have ever received a letter from a constituent saying they want to have the Sales Tax reduced, but I hate to tell you how many letters I've received and how many people come up to me complaining about the Real Estate Property Tax. And so, our proposal is the only one that funnels the tax relief where it ought to be into the reduction of the Real Estate Taxes. Now, I would point out to you that we adopted new funding proposals in a new school formula in the Spring Session. It is going to cost us a great deal of money and I was very interested in hearing Representative Schlickman's searching questions of Mr. Baldino with reference to the fact that we are going to need that money, and I would point out to you that this proposal would cost the State of Illinois only half of the revenue lost that is embodied in the other two proposals. Now, in addition to that, we have tried to reconcile other differences that seem to us to stand in the way of an accord on R.T.A. Now, I am aware of the fact that from the outlying counties that are embraced within R.T.A. there has been a general feeling of taxation without representation. That is that they were subject to being taxed for the R.T.A. but did not have



guaranteed representation on the board. And so, what we have done is to utilize the experience that is found throughout American industry in the way that corporations are run. We maintain that delicate balance that the Speaker and the Governor have in their Bills by having an even ratio between Chicago and the rest of the area. But we increase the number so that there are 10 representatives from Chicago, 5 from the suburbs and 5 from the outlying counties. This each one of those 5 counties has a representative on that board. Fifteen of that twenty elect a Chairman, then the ten representatives from Chicago elect two of their ten to be on an Executive Committee that is closed with the authority to manage the R.T.A. on a day to day basis. The five from the suburban areas select one of their number to be on the Executive Committee. The five from the outlying areas select one and these four people plus the Chairman constitute an operating board small enough to operate efficiently. Now, I don't know about your experience but I will tell you that my experience is that a group that is larger than five loses an efficiency as it grows larger and I really think that a nine member board is inherently not as efficient in an operation of a business which R.T.A. is, as a five member board so that the new proposal we have on structure achieved the double purpose of guaranteeing that there will not be taxation without representation. Of guaranteeing each of the outlying counties representation on the board but then ends up with a five member operating board that is closed with the responsibility of running the R.T.A. and is small enough to do it efficiently. Now, there are some real advantages that I just want to reiterate to you so that you will see them.



Because, while it is not our purpose to block any other proposals, it is our purpose to prevent a viable alternative. In addition to that, we have an obligation as Members of the House to report out the best possible Bill. We have looked around and tried to pick out the provisions that seem to us good and this includes, for example, the provision that the Governor, I think, picked up from Representative Deuster. Which is requiring that two-thirds of the money raised in the ~~county~~ money raised in the outlying counties be spent in terms of providing transportation for the residents of that area. We think that our plan is tremendously attractive to the people in the six county area. It provides funding from taxes and sources that will increase as inflation goes on and is cost wise. As Mr. Baldino explained to you this morning, the sales tax is an excellent and responsive source of revenue. The automobile license fees are an excellent responsive source of revenue and that is added to because we built in the provision that in the event of future license fee increases, that is automatically funneled into the R.T.A. Certainly the sales tax on gasoline is a very gross-oriented security that has gotten to raise money in the region for R.T.A. Thus, you see that we will not have an R.T.A. that has to come crawling to the Legislature for general appropriations. I think that, therefore, it is to our interest as Legislators to set up the R.T.A. on a self sufficient basis so that we can utilize our revenue courses here and deal with the problems of education at the common school and higher education levels and have an R.T.A. that is viable and can look to it's own resources. Now, there are many other features in the Bill. I know that my



good colleague, Adeline Geo-Karis, insisted on some provisions with reference to requiring competitive bidding, for example, in the issuance of bonds. Representative Lundy, wherever he is, has been... worked very hard. A number of the Legislators here have had considerable input in it. It is a joint product that is not motivated from the partisan point of view in any way. It is a desire to resolve what may be a situation of stalemate with regard to the most important problems that Illinois faces at this moment. It is a problem that will not stand still. The developments in energy and oil and gas makes this a crisis problem. Bus companies and railroad companies will be abandoning public transportation unless there is supplementary funding in our area and it would indeed be a great tragedy if while we sit and debate and talk we have irreversable changes that take place in terms of the discontinuance of operations of suburban buses and railroads. I would point out to you that my own community of Glencoe, since the time of our Spring Session, when no agreement came out that the Evanston Bus Company has gone out of business as far as it's own Glencoe operation. So, in my own area, we no longer have in the six months period the same public transportation that we had then and I read in the newspaper that the Rock Island Railroad is trying to abandon it's operations. So, this is not the kind of situation that we can fiddle and diddle while Rome burns. We need to act and we have come forward with what we think is a viable alternative, picking up what we think are the best of Speaker Blair's Bill and the Governor's Bill and adding a few nuances and of course, Representative Garmisa's excellent Bill and adding some provisions that we think improve upon



both the already excellent provisions in the Speaker's Bill and the Governor's Bill."

Totten: "Are there questions of the Sponsors. Speaker Blair."

Speaker Blair: "Well, at the outset, let me just say that

I want to commend...ah...the Gentleman from Cook for his thoughtful pursuit of trying to arrive at some compromise at the early stages of the R.T.A. matter. I think it would be well if we just might engage in a quick dialogue so that there is an understanding about the funding provisions in your Bill in comparison to the funding provisions in the Garmisa and in the Transportation Commission Bill. Actually, that part of your proposal that addresses itself to the Sale Act, you really... when you say that it's a quarter of a cent of the sales tax, you're really using that as a measuring cup device, if you will. In other words, you're really saying that you're going to dip into the states general revenue fund, the equivalent of one-quarter of a cent of the sales tax deduction in a six county area and give that amount of money to the R.T.A. out of the state's general revenue fund, which would be about 52.5 or so million dollars. That you are going to then take a downstate measuring cup which would be the 96 counties and dip into the state's general revenue one-quarter of a cent of sales tax and you're going to put that back to local governments for them to use to abate the real property tax. In a very general way is that accurate?"

Katz: "Well not wholly, Mr. Speaker. It is nearly accurate but I want to point out to you that in our Bills that sales tax money never goes into the state's general revenue fund. It is automatically funneled in. It is collected by the state but it is automatically funneled into the R.T.A. and to



the downstate real estate abatement property fund. So that the distinction you are trying to draw in terms of your Bill cuts it off completely and we're taking it out of general revenue is not a distinction that will bear careful analysis."

Speaker Blair: "But it is a distinction in comparison to reducing the state R.O.T. on the one hand by one-half cent from four to three and a half, yours does not reduce it from four to three and three quarters. Right?"

Katz: "No, ours puts the money into reducing property taxes and I would be willing, Mr. Speaker, let me answer your question. You've asked me a question and I want to answer it, okay?"

Speaker Blair: "Sure."

Katz: "Are you seriously contending here to me and to our Members that there is as much ferment for reducing sales taxes in Illinois as there is for reducing real estate property taxes? Because that's what it gets down to. Are we going to use the money to reduce the sales tax or are we going to use the money to reduce real estate taxes? And I will put my judgement and my reputation and my experience with the people of Illinois that they have no particular interest in this quarter cent reduction or half a cent reduction of the sales tax but every interest in reducing real estate taxes and that's where we put the money."

Speaker Blair: "All right, I've...I'm really not occasioning right now to enter into debate on the subject. I'm trying to...I'm trying."

Katz: "I'm sorry."

Speaker Blair: "I'm trying to make it clear as to just exactly what it is that your proposal does on the funding concept as compared to these other proposals."



So it's a fair comment, I take it that you do not actually reduce the R.O.T. from four percent... the State's share from four percent to three and three-quarters as the proposal that we had advanced a reduction of the sales tax from four to three and a half."

Katz: "Yes."

Speaker Blair: "Okay. Now..."

Katz: "From the point of view of the consumer, he does not get the sales tax reduction, he gets the real estate property tax abatement."

Speaker Blair: "Yes. Okay. We've made that and I think we've got that point clear. Now, with regard to the \$15.00, from the auto plates. Now that would yield \$45,000,000 or thereabouts in the six county area."

Katz: "That's correct, sir."

Speaker Blair: "And thereby reducing the state road fund by \$45,000,000. Would you agree with that?"

Katz: "Yes, I would agree with that. But, now don't leave it just at that..."

Speaker Blair: "Well, I'm not."

Katz: "That's a little misleading."

Speaker Blair: "Now, I don't intend to do that. I'm just again trying to get the facts out."

Katz: "Yes, go right ahead."

Speaker Blair: "Now, in the Garmisa proposal...ah...he is, he does the same thing. He takes the \$15.00 in the six county area, gets \$45,000,000, gives it to the R.T.A. He goes one step further, I think that's bad, by the way, but he goes one step further and proposes a \$450,000,000 bond issue over ten years to replace that \$45,000,000 in the state road fund. Now, is there or is there not such a feature in your proposal as of now?"



Katz: "There is not such a feature. We do not provide for raising money, by bonds..."

Speaker Blair: "As replacement."

Katz: "As a replacement."

Speaker Blair: "As a replacement, all right. And you're ...you are giving the R.T.A. the...the tax levying power with respect to motor fuel taxes at the same level that the Carmisa Bill. Well, is it unlimited or have you put a ceiling on it?"

Katz: "We're talking now about the gasoline tax?"

Speaker Blair: "Yes."

Katz: "We have put a five per cent limit on it which I think was on Blair Bill 1 at the time it almost left the House."

Speaker Blair: "That was Shea's Amendment, to the..."

Katz: "Yes, it was. But it was adopted by a majority of the House and so it was a House adopted Amendment. It was an expression of this House's view on that subject."

Speaker Blair: "I quite agree and I spoke against it and voted against it."

Katz: "Well, a majority of the House still governs and they adopted it."

Speaker Blair: "And the Bill did not move out of the House, did it?"

Katz: "I'm aware of that, Mr. Speaker, and to prevent that kind of empire that we have conscientiously gotten together to get a Bill that will move because we do not feel that the public purposes of the citizens of Illinois are served by Bills that do not move or vehicles that do not move and that is why we need an R.T.A."

Speaker Blair: "All right can we..you know, move from the rhetoric on to the real factual discussion?"

Katz: "Go right ahead, Mr. Speaker."



Speaker Blair: "Downstate now, in the Garmisa proposal...ah... they have \$29,000,000 that they would take out of the state road fund and give to local governments. That's correct, isn't it?"

Katz: "Yes, Mr. Speaker, that is correct."

Speaker Blair: "And that...and that is...and there is no similar provision in your proposal?"

Katz: "That is correct, Mr. Speaker. I want to explain it to you."

Speaker Blair: "Well no...no, you don't have to. I want to commend you for that. I think it's a recognition of the fact that the downstate road needs for the state road system are considerable and I think being from the Cook County suburban area that there is a very good recognition of that very important part of this problem and I...So, I'm very pleased to see that you have recognized that and that we do not have that situation."

Katz: "We have tried to listen to the pulse of the people and the pulse of the leaders who have indicated their views and we have tried to come up with a workable, meaningful compromise proposal and that's why we have followed that."

Speaker Blair: "Is there... All right, I think we understand that distinction. Now, the...the distinction on the board members, the Garmisa and the Commission proposals are pretty identical on the nine member thing. You have gone into the composition, which is a greatly increased board to reflect, a desire, I suppose on the partisan outlying county people that each county have a member on the board, which has no relation to one man, one vote, but..."

Katz: "Well, but it does, it does, Mr. Speaker. Let me just say this does have some historical component. We did fight wars over taxation without representation



and I feel that since we are not providing a referendum that we are following the first Blair Bill, which was correct in not providing a referendum. We should provide representation as an alternative and that's why why we have done what you are talking about."

Speaker Blair: "Well on the merits of that proposal, Harold, I really have some substantial reservations. I just frankly think that giving Mayor Daley ten people to sit down in a unified manner at...that it will result in a greater vulcanization of solution of problem solving than the much smaller board to...that is in the Governor's proposal and that is in the Commission's proposal. I recognize that you have an Executive Committee, but five people and I think that's entirely too much power to put into a group that is that small from the executive standpoint, but I understand why you did that."

Katz: "Mr. Speaker, may I just say that...one thing on the point you're making."

Speaker Blair: "I just have one further question and then certainly you can go ahead. There is no, if...if you conceive that...that there ought to be a revenue...ah...sharing related to revenue production in the outlying five counties, because you do have a two-thirds provision. How do you defend the fact that you do not feel that the area which you do represent, suburban Cook County, does not have that same...ah...consideration? Don't you think that the people in suburban Cook County ought to be entitled to have two-thirds of the revenue raised in that area be spent on transit in that area?"

Katz: "First of all, Mr. Speaker, I heard some very distinguished remarks by the Gentleman from Will this morning on the dangers of vulcanization of the R.T.A.



and I'm quite aware of the dangers that you mentioned. Now, let us take the First Legislative District, which happens to be first in every way in Illinois and relate the question. I don't even see Brian Duff applauding and that I resent. Now, let's just take it though, very seriously, all right. Now, first of all the C.T.A. served the people of Evanston and the people of Willmette so the C.T.A. is not a Chicago carrier. Second of all, I live in Glencoe. I happen to take a very wonderful transportation service, the Chicago and Northwestern Railroad, that we want to keep. But it is not fair to say, for example, that I derive no benefit from the C.T.A. When I go down to the Loop, as I do when we're not down here, which is preciously rare, that I have the opportunity to go to the Loop these days, when I do, I have available the C.T.A. service. I take a C.T.A. bus, even to get my Northwestern train. I take a C.T.A. bus to many different places and I will tell you that my law practice would not prosper very well if my clients were not able to have C.T.A. access to my office. And so, I am most desirous of their being adequate use of funding in the suburban area. But, I'm very much concerned about a mechanistic kind of approach which fails to take account of the fact that as far as the residents of suburban Cook, they both derive advantage from the areas that the C.T.A. now serves, they desire the C.T.A. to expand to O'Hare and other places, which will pick up more suburbanites and in addition to that that when we are in Chicago earning our living that we derive substantial value from having a viable transportation system. So, that is the reason why I am very much opposed to



anything that is not going to truly reflect the integrated nature of Cook County as a transportation entity."

Totten: "The Gentleman from Lake, Representative Deuster."

Deuster: "Representative Katz, I want to commend you for looking over all of the pending proposals and extracting what, in your judgement, was the very best from them all."

Katz: "And, Mr. Deuster, in the judgement of some very excellent other Legislators, like Mr. Dunn, who is sitting next to you, Mr. Lundy and a number of others. I don't want to imply... Representative Geo-Karis, it is not at all a single effort and I want you to know that."

Deuster: "I would suggest this. That I'm delighted, for example, that you have duplicated the provision on the twenty-one member board, but as the Speaker has suggested a minute ago and I remember very clearly this being in House Bill 1046, all spring long everybody was telling me that that was too big and unwieldy and I thought you had told me that too and I was wondering if there was any special reason why suddenly it's acceptable. I'm delighted but I just... I believe the Membership should know why a larger board is now... ah... deemed to be a little better than the smaller one?"

Katz: "Well, I believe that a twenty-one member operating board is not a feasible board. I believe that to have an operating board in the form of an executive committee is a highly desirable thing combining the best of all possible worlds. I'm not familiar with the detailed, your proposal in the spring in that regard, Representative Deuster, but I will tell you speaking on behalf of all of us that if you agree with that proposal we'll be very happy to have your vote



for House Bill 39, Third Session."

Deuster: "Mr. Chairman..."

Katz: "And if we owe you any...you know, it came from you it's gone into the common domain and let me say also in that regard, Representative Deuster, that we have come forward with a number of proposals. These proposals are available to the Speaker, to the Governor and to others. We are trying to get an R.T.A. We are not trying to get credit of authorship. We want an R.T.A. for the Northern Illinois metropolitan area and this is why we have come forward and if our proposal makes palatable and sellable other people's Bills then they should feel free, in any way to plagiarize as we have felt free to plagiarize."

Deuster: "Representative Katz, I think that all of us are more and more sensing the spirit that we must come together and that the people and the general Membership would like to establish a system and I'm delighted to the extent to which you've progressed. However, in some areas, and I direct your attention to page 29 of your proposal. I think you may have gone off the deep end and I would like to read this language for the Membership of this House. It says under Section 4.08, I guess or 3. Taxes. It says, 'The board may impose throughout the metropolitan region any or all...any or all of the taxes provided in this section.' And then all taxes authorized by this section may be imposed and this is the language that I think you should comment on 'In addition to any other taxes of whatever kind.' Now, which...the R.T.A. here would have authority to impose any other taxes of whatever kind. Do you feel that ought to be limited in some way?"

Katz: "It is our feeling that it is limited. We will be



glad to check again with the Reference Bureau, it was not our intent to grant unlimited taxing powers. I'm very glad that you have pointed this out. I would like to say that our Bill has been around now for a couple of days and I have been very pleased as the rest of the Sponsors have, with the fact that I think you are the first one to point out anything in the Bill that raised questions. There has been great accord with the whole idea of combining the Governor's Bill and combining the Speaker's Bill, of creating this real estate property tax assessment bond. In other words, you are now on a narrow peripheral point but on the major points made by this Bill, I do not find any considerable or even significant objection. There is general recognition of the point that we make and if in fact the point you now make does provide unlimited taxing power, we will correct that but we do not believe it to be the case."

Deuster: "Well, I've just read the language and if you think that you or I or any of us Members can go back to our people and tell them that unlimited taxes is a narrow and peripheral concern, I think that's astounding. I do, I am pleased that you would recognize the need for polishing up the Bill in that respect or limiting the taxes. I think there may be other areas. I want to ask one question..."

Katz: "No...No... I want to answer the point you just made. I hold in my hand here House Bill 15, which is Speaker Blair's Bill and that language that we have..."

Deuster: "Wait...that's Speaker Blairs Bill, that's not my Bill."

Katz: "No, I do not mean that. All that I mean to say to you. I did not imply that it was your Bill, Mr.



Deuster. But I'm telling you that the point that you're now making with reference to our Bill is the language is taken from Speaker Blairs Bill. We have tried insofar as possible to keep the language in the major Bills because we are anxious to have the support of the Speaker and the Governor for this proposal as a compromise. But I just wanted to let you know that this is not something that we just added, that this is taken in the basic Bill that the House has just been hearing."

Deuster: "One more question, Representative Katz. In view of the fact that you...ah...apparently have consciously put this provision in here to provide broad tax power and it may be that the Transportation Authority needs a lot of money. I wonder how you justify your feeling that the people of all six counties should be subjected to unlimited taxes? At the same time you have rejected the notion that there should be a referendum. Why do you feel that the people of all six counties should be taxed but have no opportunity to vote on it?"

Katz: "I would like to say to you that I was much impressed when I heard the distinguished President of the Senate speak on this issue. The distinguished President of the Senate said that we were elected to represent the people of our district and to represent the best interest of the people of Illinois and he said in memorable words that if the Declaration of Independence had had a referendum provision we would still be part of the British Empire. Now, I would say to you that either this is a six county area that is a natural transportation area or it is not. Now, if you have a referendum and 51 percent of the people in Lake say they don't want to be in it, they are not only adversely affecting that



51 percent, they are adversely affecting that 49 and minorities have enormous rights. And what about their children who may be more far seeing than they are? What about when we look ahead ten years and see an area stretching from the Loop all the way out to Kane County and Will County and Makena where my distinguished colleague lives and all over Lake County where ten or twenty years have passed and we are an integrated region. What about then the small minds who said, 'I will vote against a referendum because it may cost me a few bucks.' What their decision will do will doom that area to the impossibility of expanding to the needs of that area as that area grows and that is no service, I will say and a Legislator who is not willing to stick his neck out and make those decisions will end up with his constituents and their childrens interest not well served by the willingness to make that kind of judgement. Now, what I have done here and my colleagues have done is to not make an area that is an integrated area into a patchwork. We have provided representation to the people of those areas and I will point out to you, if I might, that if the federal government does not approve an area and you know that having been an official of the federal government, if we create a patchwork system there will be no federal subsidies available. You are undoubtedly aware of the very excellent provision we have which permits federal operating subsidies to be used in the six county area to enable that sales tax money to go to real estate tax abatement. But if you create in that six county area a hodge-podge a monstrosity if we permit the county of blank or the home unit of blank to vote and opt out, what kind of



transportation system will you have? It will be a crazy patchwork. Can you imagine a human body in which there is not a skeleton that has a natural scent about which a body, an organism a human being may grow. You can not have a transportation system that is not based on the simple facts of geography and the growth of that area, just as you can not have a human being functioning without a good skeletal arrangement."

Deuster: "Representative Katz. I sense that the desire of the Membership is for us to have questions and answers rather briefly and...and I will ask you just a couple of quick ones. I gather from your remarks that you have not read the Act that established that enabled the establishment of the Chicago Transit Authority, to the Members of this Illinois House of Representatives in 1945 when they enacted the Metropolitan Transit Authority Act, provided for a referendum and I simply say to you, Representative Katz, because you seem to be a strong advocate of the C.T.A. and I want it to run too; that I say that if the people of the City of Chicago are entitled to vote on the creation of the Chicago Transit Authority, the people of the six counties ought to likewise have the opportunity to vote on a six county regional system and it can be an up or down vote on the region and we can have a region, we can qualify for federal funding. But I'm just saying, I don't want to discriminate against anybody. The people of Denver, Colorado, the people of San Francisco, California, the people of Atlanta, Georgia and the people of the City of Chicago have an opportunity to vote and you want to deprive the people of the six counties and I think that we ought to consider next week maybe adjusting our



positions when we consider voting on the referendum. Because I think it will enhance the possibilities of us getting off dead center an objective to which you are committed and we will have an R.T.A. and if we have a referendum on March 19, 1974, it won't cost much money. It will cost enough money to bring up an extra piece of paper and at the same time that every Member of this House, who's seeking reelection will have an opportunity to have his name on the ballot. We will have the R.T.A. on the ballot and I think that's the American way to do it and I hope that you will support the referendum proposal next week. Thank you."

Totten: "The Gentleman from Cook, Representative Schlickman."

Schlickman: "Mr. Speaker and Members of the House, I may be somewhat presumptuous if I may for the moment and deviate. I'm pleased to introduce to the Membership a very good friend of mine, State Representative, Edward Jenison. Now, Ed is a new Member of the body. Ed, by his presence in this Chamber will serve to draw the Speaker and I together. Ed, the Speaker and I were both elected to the General Assembly in the at-large election in 1964 and it's a delight to have him here and I'm wondering if we couldn't have the newly elected State Representative or newly appointed State Representative say a few words to the body."

Jenison: "Thank... Thank you so much for that courteous welcome and colleagues I arrive here with mixed feelings and I think all of you can share those with me because I have nothing but the deepest of sympathy for the problems of the man whom I'm succeeding. But if it is important for our district to have full representation then I welcome the opportunity to come back here and find so many friends on both sides of the



aisle. We're still trying to serve the best interests of all the people of Illinois. I shall try to join you in that effort. Thank you very much."

Schlickman: "Mr. Chairman...ah...Representative, I should like to welcome you to the efforts for a bipartisan solution to this most critical issue that confronts the State of Illinois --the need for Regional Transportation in the northeastern Illinois counties area. You will recall last spring there was bipartisanship, there were three Republicans and three Democrat Members of this House who got together and developed a list of criteria, a list of elements which they believed would contribute to a sound transportation system for that area. And that earlier this year a group of six Republican State Representatives in a bipartisan effort joined with Democratic, Carmisa and co-sponsorship of his Bill. Now, I've looked your Bills over and I'm struck by the fact that except for four areas and I want to go into those four areas, your Bill is identical... is identical to House Bill 15, which is Sponsored by the Speaker. Now, the four areas where there is difference...you have no referendum provision, you differ in funding, you differ in government and you do not provide for a suburban transportation corporation. I'd like to touch on only two of those, the matter of no referendum and the matter of no suburban transportation corporation and I simply would like to ask for your thoughts as to why there should not be a referendum."

Katz: "Well, Mr. Schlickman, I thought that I had spoken on the issue as to why there should not be a referendum."

Schlickman: "Oh, I'm sorry. Would you mind briefly...."



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Katz: "Well, very briefly, this six county area is not an invention of the Speaker or of the Governor. This six county area is an area that people learned in democracy and statistics and knowledgeable in the development of areas has recognized for many years long predating the subject, as being a natural kind of area. And the federal government has recognized this as a natural kind of area. And as I understand what the Speaker did and what the Governor did was to simply recognize as a fact that this was an area in the same way that we recognize that today is today. It is a fact that really did not change with a vote of a majority, if you are first going to make the decision to have an intelligent, rational mass transportation system, that decision has to be made on the basis of an area an cultural characteristics. It has no relationship to whether or not a majority of the people of X county or Y city want to be separate or otherwise. So, we have to make the initial decision as to whether we want to have a rational public transportation system in the ...in the northeastern Illinois area and one that will be able to receive federal funding when that becomes available. When we have made that decision there's nothing to vote on. Because we know that this is the natural area and to set up a transportation system, that is based on popular vote, but does not comport with the reality of that as a natural area is as if we were to go outside and shake our fists at the moon. Surely we can set up a patchwork system, we can exclude blank county and we can permit the citizens of this home rule unit to opt out if we want to, but then, who are we to blame when the final product turns



out to be a patchwork? The point is, you have an initial decision to make. It is our view that that decision is one that the people of that area have long since made. They want a public transportation system and all of the polls so indicate. But, in addition to that, we can not write off the future and the welfare of the major metropolitan area of Illinois. We can not compromise the future by setting up the transportation authority that is a crazy patchwork just because somebody in some area worked hard, or some newspaper worked hard some way, that we will permit that to try to change what is a natural geographic area and so if we make our first decision to have the best possible rational public transportation system, we have to take that which is. And what we add to that is, we provide representation to all parts of that area. That's what the other major Bills don't. We provide direct representation to all parts of that area but we do not make the mistake of saying to part of that area, 'If 51 per cent of you people don't want this and are too penny pinching today, we are going to let you compromise the future development of the area.' That we do not do."

Schlickman: "In contradiction to the Speaker's Bill, House Bill 15 and the companion Bill, you do not provide for the creation of a suburban transportation corporation. Would you explain why?"

Katz: "Well, it was our feeling that R.T.A. would have the authority to do that. That we did not need a separate Bill for that purpose. The omission of it should not be taken as a determination as to whether or not the bus system in the suburban area ought to be run by a separate corporation or by the C.T.A. We really do not think that that is a



matter that it should be a political matter, it should be a transportation matter and so we would leave to the board of R.T.A., which is a bipartisan board, the determination of the most effective way to provide the various kinds of transportation. Rail, bus and so forth, but this is not a matter of great moment and I would not read too much into the fact that we did not include it."

Schlickman: "All right. Was I correct at the outset that except for no referendum, difference in funding, difference in government in the essence of a suburban transportation corporation that your Bill is identical to House Bill 15?"

Katz: "Yes, you were right and it is also right..."

Schlickman: "Thank you."

Katz: "May I finish the answer? We also pick up the two-third expenditure in each county. But it is a fact that the Blair Bill has been followed to considerable extent by the Governor's Bill. In other words there is a common area of agreement. We have tried to make proposals in certain areas that appear to be the area that seem to be holding up agreements. It would certainly be a shame, when there is agreements on 95 per cent of the problem to end up without an R.T.A. because of the inability to agree on the other proposition and the changes that we have made are directly related to the areas where disagreement has been expressed and where we felt that a compromise position had much to be said for it and might promote the solution of this problem."

Totten: "The Gentleman from Cook, Representative Washington."

Washington: "Yes, Mr. Katz. Just two brief questions.

One, dealing with the funding or phase of it, another dealing with the governors of the board, or makeup of



the board. Now aside from a compromise and I must admit that this is an artistic compromise and you're to be commended and your cohorts are to be commended for coming up with a clay type compromise. But..."

Katz: "Thank you."

Washington: "But why was it necessary to include as part of the funding a phase, the most regressive taxation known to mankind? That is the sales tax. Why was it necessary to include that for this pure artistic value of having a compromise, for the craft political reason that you felt it might attract some votes or did you lose sight completely of the fact that this sales tax is going to hit harder and I'm not preaching you a sermon because you and I know this as well as anybody, is going to hit harder upon those people who can least afford it for the altered benefit, not of the taxpayer, because the Regional Transit Authority is not for his benefit, the Regional Transit Authority is for the benefit of commercial interest in that region."

Katz: "Well, I would just say that the last thing you said, I disagree with you totally. I think that a Regional Transportation Authority is for the little fella who needs to be able to get from one point in the area to the other part of the area. In general let me say, Representative Washington, that there is perhaps an inconsistency in the position you have filed. Now, for example, if you do not go for this compromise, let us say you don't go for the compromise and let's say it all goes down the drain and nothing comes out of it. As a result of that, Representative Washington, will the sales tax be any different for those people you're talking about?"

Washington: "I can not extend to you the luxury of such



an assumption. You don't know it and I don't know it. Let's deal with the question of the regress...sensitivity of the sales tax."

Katz: "All right, I would be glad to talk about that situation. I think that the real estate tax is in my judgement, an even more regressive and even more onerous tax. I am terribly concerned, for example, about the fact that it is becoming really very difficult for people to own property and that I think a person who can not afford to own his home that that is a very, very bad thing and so we have to make choices, Representative Washington. You and I would like to be able to repeal the sales tax, to repeal the income tax to repeal the property taxes but realistically, we know that the cost of government continues and I do not see any proposal in this General Assembly that would eliminate these taxes. So what we have to do is to make choices. And the choice we face as far as the six county area is concerned, is to try to get taxes that are known to have a high and growing yield and we heard this morning, Mr. Baldino, say, that the sales tax is an ideal tax from the point of view of providing funding. It grows as time grows on in it's yields, it is an ideal tax. Now, we have mixed that and really two-thirds of the funding proposal here come from the taxes the Governor proposed that are road related taxes in the six county area. We think that that is a very good mix. I do think that the General Assembly would be better off and the school children of Illinois would be better off if we could have taxes in the six county area that would put a future, be sufficient to fund R.T.A. and that is what we have tried to do. But we are not



there by indicating that we love the sales tax, we are there by indicating that we have a very strong desire that there must be an adequately funded R.T.A. and that it is our responsibility to provide adequate sources of revenue and we have come forward with a compromise proposal to try to achieve that end."

Washington: "Fine, now I think we've come to a meeting of the minds and my opposition was that the sales tax was regressive and I asked a question of why it was included and your very candid answer, and I knew what the answer would be because you're an honest person, your very candid answer would be is because the political situation dictates that it bear part of the burden and I think we should make that very clear and I think you should make it very clear. If you had your druthers, you would probably leave the sales tax out all together. Is that what you're saying?"

Katz: "Well, I would leave all taxes out all together from intern..."

Washington: "But, which one would you rather leave out? In terms of priority, which one would you be the first to strike from this list of taxes?"

Katz: "Well, in my list of priorities, the greatest priority is to try to reduce real estate taxes in Illinois."

Washington: "That...the six county region. You're talking about downstate now, I'm talking about the six county region."

Katz: "Well... No...no... But Representative Washington, you are failing to take account of the fact that under our plan, when operating subsidies become available in the six county area, the sales tax will be used solely for the purpose of reducing real



estate property taxes in the six county area."

Washington: "If you say 'if' instead of 'when', you and I won't have any argument. Say 'if', they become available."

Katz: "Well, I will say 'if', but it is my best judgement that whether it is two years or four years or six years it is certain in my view that federal operating subsidies will come and when it does we will have taken care of the highest priority item which is tax relief in the real estate tax field."

Washington: "All right, let me go to the next political compromise."

Katz: "And incidentally, that is the wholly new feature of this compromise."

Washington: "Well let...let me go..."

Katz: "The attempt to use money for abating real estate property taxes."

Washington: "Let me go to the next political compromise, which is also a very adroitly conceived. I want to make that clear. It is a political compromise, am I not correct, to have a board consisting of ten from Chicago, five supported by the suburban members and five from the...five other northeast regions plus one chairman. That is a political compromise, am I not correct? And which you further agree that if this board were weighted in terms of the financial impact of the regions and subdivisions that the City of Chicago should have far more than 50 per cent of the members on that board. Would you agree with that?"

Katz: "As far as your latter point, since the Governor and the Speaker agreed on their relative ratio of memberships on the board and since this is a desperate situation which does not permit responsibly us to introduce new and disturbing elements, we have



made no change in the Governors and the Speakers proposal in regards to ratio of representation."

Washington: "But there is still a thought, of which I am a member...it's a dialogue...."

Katz: "No...No... I wanted to answer your question..."

Washington: "There is a school of thought which disagrees with Speaker Blair and Governor Walkers ratio and I love that school so I don't think you should cite that as any kind of evidence that this is a viable fair board maker. Deal with the question I asked, which is simply this, Representative Katz, and I hope my questions are not coming out harsh because you know I don't mean it that way."

Katz: "No."

Washington: "What I am concerned about is, why should the people of the City of Chicago make the kind of compromise, which will in effect subject them to regional control, when in effect they are putting more into the poker pot than all these other regions put together? That's my question."

Katz: "Representative Washington, I seem to spend my life trying to find a rational, middle course. Now, you tell me that the people of Chicago are being subjected to this terrible burden. Some of my other colleagues tell me that the people of the suburbs who will be contributing the most, in terms of auto related taxes are the ones who are being..."

Washington: "But you don't..."

Katz: "May I finish? Are the ones who are being mistreated. They tell me, Representative Washington, that in terms of the gross potential, it will be in the suburban and the a-suburban area and I would say that in a sense of mature responsibility, that at the 11th hour of R.T.A., that we should accept the basic ratio that the Speaker and the Governor have



agreed upon and that we direct our attention to what is the true art of politics, which is finding reasonable solutions and compromising that does not in fact endanger the end, but insures an excellent end. Now, I want to say to you that I am not against compromise. I hope that we have compromise. I think our proposal is an excellent compromise plan. It does not do all that you want, it does not satisfy you, it does not satisfy many other people. I hope that in the last analysis, the people well satisfy are the people we represent and the people we represent will be better served by this compromise proposal than by no proposal and no law and to go again into what happened in the Spring Session and our responsible position is to come out with a meaningful Bill and that is why my fine colleagues here and I have been trying to do that."

Washington: "In conclusion let me simply say this. The choice is not this Bill or no Bill as long as reasonable men and women sit here. I want to say one other thing, that megalopolis and this is a step in the direction of megalopolis, is not and I underline not, in the best interest of the people whom I represent and you are a consistent believer that you should represent the people who send you here. I maintain it is not in our best interest, I maintain that none of these R.T.A. packages deal with the political realities of the intra-city of the City of Chicago, I think they're all bad. I am not sucked up by this tremendous pressure from the press and the media that we must have an R.T.A. when I know and I know damn well that the fundamental thrust behind the R.T.A. is not people but commercial interest."

Katz: "Well I hope, Representative Washington, that if the



R.T.A. goes down and that the people from the urban area come here and want a subsidy to continue operating the C.T.A. that they in fact find on the other side of the aisle, adequate votes to accomplish that end and to avoid the possibility that they may not, I would urge that we entertain the spirits of compromise, that we do not worry about the megalopolis, let me say to you that I have voted for Legislation that even my constituents did not want because I felt they were important to some of the people you were talking about. We are here today on a project that is of tremendous importance, the future of northern Illinois and its development depends upon it and I would urge us to try to work together to recognize that the Speaker and the Governor have come in with Bills and we do not urge that our Bill has to be the one. I would say only that there needs to be a Bill and that in the end let us not repeat in the fall the lesson of the spring."

Washington: "I admire your courage and your adroitness in putting together what I consider to be a fine political compromise which left out the interest of the intra-city of Chicago."

Katz: "I happen to be in a political world and I am very happy to come out with political compromises because that is the art of governing and the art of being, in my opinion, a Legislator who's representing his district and his area."

Totten: "The Gentleman from Cook, Representative Huskey. I ask the Members please confine their questions to specifics of the Bill and the Sponsor to answer accordingly please."

Huskey: "Representative Katz, I just have a few short questions. I...I heard the question asked of



Representative Garmisa, yesterday, if he would support the Hatch Act on his Bill, which he denied that he would. What is your stand on that?"

Katz: "Well, my stand on that is that neither the Governor's Bill nor the Blair Bill has such a provision. I do not consider it to be a high priority item and I do not propose to jeopardize an R.T.A. on the basis of a non-high priority item. To the extent that the Speaker of the House and the President of the Senate and the Governor have agreed on items, I prefer and hope my colleagues join me in believing that we should go along with that. It is in the area of difference where we try to be constructive."

Huskey: "How large a governmental unit... In other words, what you say is 'no'."

Katz: "I..."

Huskey: "How large of a governmental unit do you figure this R.T.A. would be in com... in comparison to the State of Illinois? Rating one, two, three, four or so forth? How... would you just give me a number? How large of a governmental unit would this R.T.A. be that you don't feel it's necessary to have a Hatch Act."

Katz: "In terms of the number of employees, first of all..."

Huskey: "Employees and dollars."

Katz: "Let me say to you, Representative Huskey, that our distinguished colleague, Representative Schlickman, has whispered in my ear that he thinks that there is a provision like that in the Bill and I would want to say that I am not certain of the answer. In terms of the number, I am certain, however, that in my experience, Representative Schlickman, does his homework and so it is very likely that such a provision is already in the Bill. I am not able



to know how many employees the R.T.A. will have. It will not, you recall, operate the C.T.A., for example. It is a board that is a planning kind of board and it's a top level board. I would not anticipate that it would have large numbers of employees. But I am frank to tell you that I have not studied that problem and can not give you any predictions. Now, there is, Representative Huskey, a provision that I did want to direct attention..."

Huskey: "Well..."

Katz: "Let me just answer..."

Huskey: "You're getting away from my question. I would like to have 'yes' or 'no' on my question..."

Katz: "Yes...yes, I want to answer..."

Huskey: "I'm asking you this. What size of governmental is in comparison to the State of Illinois or the City of Chicago, where would this rate in size and comparison to other governmental units in the State of Illinois? That you're creating?"

Katz: "Well it...it would cover six counties, which is a substantial part of that area. I can not tell you the number of employees. Now, Representative Huskey, in answer to your previous question, I think the language that Representative Schlickman was talking about, and may I read it to you, says and I'm looking at page 13 of our Bill, 'No discrimination shall be made in any term or aspect of employment, because of race, religion, national origin, sex or political reasons are factors.' Now, if you mean discrimination based on political reason, this is prohibited, but there is not a Hatch Act as I..."

Huskey: "I...say....I already asked that, for a Hatch Act... Would you be willing to accept a Hatch Act on your Bill? Yes or no, that's the question?"



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Katz: "And the answer to that question is that I would not be willing to do so unless it were part of the major Bills. I do not want to have a Bill that would thereby lose the support of our Governor or our Speaker and I think you can understand that, Representative Huskey. I do not.... I want to have a Bill and my colleagues want to have a Bill that can get the 107 votes that I read in the newspaper is going to be required and that requires a bipartisan effort. And I do not want to include a provision that would make this Bill obnoxious to the men whom we have elected and the people have elected to leadership position. If they include it in their Bill, I would be very happy. I have no objection to hatch acts. I do have some question that it does infringe, to some extent on the political freedom of individuals, but I would be perfectly willing, myself, if my colleagues agree, to go on with what the House does to the other Bills."

Huskey: "Now, how about my second question, Representative Katz?"

Katz: "Well, Representative Huskey, what was your second question, sir? Would you..."

Huskey: "I asked you, in comparison to the State of Illinois, the City of Chicago and so forth down the line, how large a governmental unit you're proposing..."

Katz: "I thought I had answered the question to the best of my ability..."

Huskey: "Getting back to your Hatch Act. You're... in other words, you're compromising two Bills, you feel that by... that by... You're compromising your position. Is that what you're stating?"

Katz: "We have frankly attempted, perhaps a better word is reconciled or compromises, in other words, to

reconcile the Bill that appear to be the Bill that the Governor and the Speaker respectfully have put in. We have done so on a non-partisan basis. Since neither of those Bills have provisions that relate to Hatch Act, we have not included them."

Huskey: "So, Mr....Representative Katz, I was very disturbed as I interpreted the statement that you answered to Representative Deuster. When you stated that, when he was asking on the referendum and more or less you said, well if it was 51 per cent of the vote and 49 per cent would be a minority, the 49 per cent... I was left with the impression that you were saying the 49 per cent should prevail, so therefore, you would like to shove the, take the 49 per cent and shove down the 51 per cent throats that there should be an R.T.A. because you feel the 49 per cent would be right, the 51 per cent wouldn't be right because of the sake of dollars. Isn't there any other reason that they would vote against the R.T.A. because the sake of dollars?"

Katz: "Representative Huskey, it is not that I think that the 49 per cent should prevail. It is that I think that the interest of the entire area should prevail and that the interest of the children of the 100 per cent should prevail. It is a fact..."

Huskey: "I've heard that before, that's my knowledge. I'm just stating..."

Katz: "Well, that's what I'm saying. I am not in favor."

Huskey: "But you don't believe in the referendum form of... the Democratic form of government, which you are elected to this House by?"

Katz: "Let me ask you a question, Representative Huskey. Now, one of the towns in my district is the Village of Willmette. It is a home rule unit under the Illinois



Constitution that our distinguished new Member helped draft. Do you think that the people of Willmette should have a right to have a referendum to decide whether they want to be in the R.T.A. or not? Are you consistent with your position? Will you give them the same right? What is so magic about a county that a county should have the right and a home rule unit should not? Will you extend that same right to both of them?"

Huskey: "Absolutely."

Katz: "Fine, then you will not have a Regional Transportation Authority that is worth a thing and that is precisely the point I'm making. You first have to make the decision as to whether you want to have an effective functioning Regional Transportation Authority and if you do you have to have an area that is in fact an area. A demographic area that from a professional point of view is the area that is the natural area and if you make that decision you can not use a referendum mechanism because the referendum mechanism will kill the whole idea. It will prevent your achieving the objective you start out with and that is the reason that I am for the Blair Bill 1, but I am not in favor of the referendum division in Blair Bill 2, even though I do understand the factors that did bring about that provision."

Huskey: "In other words, Representative Katz...ah... you are willing to create, I'd say, the third largest governmental unit in the State of Illinois without referendum?"

Katz: "Oh, yes, I certainly would be... I find nothing at all upon, to that...we passed tax Bills that effect the whole State of Illinois and we don't have referendums on the tax Bills. We do things all the time..."



Huskey: "One more...one more..."

Katz: "We just passed school formula Bills that effect every child in Illinois. We don't have referendums on that. I have such confidence in your wisdom, Representative Huskey, speaking on behalf of your constituents, that we are willing to accept your good judgement as to what is good for us in the future."

Huskey: "Thank you, Representative Katz. One more question and then I will...ah... You state that, what percent gas tax is your Bill limited to?"

Katz: "Five per cent."

Huskey: "Five per cent. And are you basing this on the current gasoline sale? What would that be per gallon of gas? How much would that cost the... ah..."

Katz: "It would be about two and a half cents, a little less than that but with what's happening today it certainly is going to go up and that's one of the reasons why it's a good tax because the expenses of R.T.A are going to go up."

Huskey: "All right....all right."

Katz: "And hence it will grow with expenses."

Huskey: "Don't you feel that in these areas where we have this two and a half cent gallon cost per gallon of gas, don't you feel that these people then are going to start riding all these modern transportation systems that your Bill is going to provide and the sale of gas is going to drop tremendously?"

Katz: "I hope that they will ride these wonderful, modern trains and buses that we're going to have. It will result in much less traffic on the highway. It will result in much less pollution of the atmosphere. It will result in much less use of our precious oil, gas and energy. But..."



Huskey: "I'm talking...I'm talking dollars and cents now...
I'm going to ask you one more question now."

Katz: "But, Representative Huskey, knowing the ease with which we saunter out of our house into our little old parked automobiles, you can be very sure that despite what are the enormous energy needs of the nation and the tremendous advantages of public transportation, there will be enough of us who will saunter into our little automobiles so that the R.T.A. will be adequately funded with that five per cent gas tax." But if it does discourage the use of the automobile, that is excellent. We need increased ridership in public transportation and we would indeed be serving the salutary purpose in getting people to ride public transportation."

Totten: "I'd like to remind the Members that we have about 13 more Bills yet to hear today. Including the Lottery Bills and Tax Relief Bills, so if we can keep our remarks brief. The Chair recognizes the Representative from Lake, Representative Geo-Karis."

Geo-Karis: "Mr. Speaker and Ladies and Gentlemen of the House, I am going to be Brief. Point one, Section 403.03 on taxes on page 29, we didn't see that when we talked about our compromise Bill. Definitely that was drafted in error by the Legislative Reference Bureau, because I'm one of the co-sponsors of this bipartisan Bill and I do not want to see unlimited taxation. It will be corrected. Point two, I have no objection, as much as I may have to disagree with my respective colleague, Mr. Katz, I have no objection to a referendum. Point three, all we have done in this Bill is try to arrive at a sensible compromise. We are open for suggestions. I am willing to see Amendments to the Bill and for heavens sakes, let's stop making a political football. Lake



County, Will County, Kane County, DuPage County Cook County and McHenry County. Let's do some good for the people. I'm sick and tired sitting six months and spending most of my time worrying yes or no, yes or no, who's Bill it's going to be. I don't care whose Bill it is. Let's do something constructive for the whole state."

Katz: "She speaks for all of us."

Totten: "The Representative from Cook, Representative Dunn."

Dunn: "Mr. Speaker, I don't know who is more spell binding, the witness for his Bill or the previous speaker and I would say, Representative Katz, that you know from our campaigning, the respect in which I hold you and I appreciate the...the comments about the First District. I would like to say that your comments on the problem of commerce, as to whether the little people may be able to get to work is the underlying thing here and I would agree with that. I also agree very much with your point on referendum and I would hope that the Blair Bill, which I intend to support, will accept Amendments to concur with the general feelings here. The problem of transportation, as you spoke of this compromise, made me think, frankly, of probably the most imaginative transportation solution in the history of mans imagination. Which was in the times of mythology, not knowing another solution, they created a centaur, which was half man and half horse. Your compromise, Representative Katz, is ingenuous and it does bring together all of the parts. But it puts together...them together in a rather desperate way. I would...I would suggest there was another mythical figure which was a combination of plan not quite so classic and beautiful as the centaur. It was a satyr, which was clove and hoof with the head of a man and I think perhaps this compromise,



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Representative Katz, in all good intention, is a little more similar to that. I think that including the sales tax, as is the element of the Blair plan, in the way that you have and watering it down to almost no effect is in fact sort of more like a fifth carbon copy, which is hardly readable in terms of its impact on the Bill; and I would suggest that because it seems, as I sit and listen that the intentions of the Sponsors of this Bill are to compromise and yet as they express themselves and as you do yourself, Representative Katz, it seems to me that you are really in spirit in favor of the intentions of the Blair Bill. And you can classically solve the problem and cut the Gordian knot by deciding to support the Blair Bill. Then we could all go home."

Katz: "My distinguished, junior colleague and your reference...and your references to mythology, I would suggest that you have perpetuated the greatest myth of all, which is that we can have an R.T.A. without compromise."

Totten: "The Representative from Peoria, Representative Day."

Day: "Representative Katz, from two years ago, a little over two years ago, this Legislature adopted a comprehensive load program for the State of Illinois which accommodated in the Transportation Bond Act an increase in sales taxes as I...or in gasoline taxes as I recall, some two or two and a half cents a gallon. And an almost doubling of automobile license fees. As I recall the purpose of those increased taxes was to retire the Transportation Act off in order to finance that comprehensive program. Now, as I understand your Bill, we would dip into those revenues to the extent that we would



take one half of the auto license fees and in the six county area we would use those fees to finance the R.T.A. and in the downstate area they would be returned to the counties for the purpose of reducing real estate taxes. Now, my question to you is, does your Bill contemplate an abandonment to the extent that it encroaches on those funds constitute an abandonment of that comprehensive road program?"

Katz: "The \$45,000,000 figure, Mr. Day, is I think, about ten per cent of the road fund and does not, in our view in any way imperil the solvency of the fund or the ability to meet it's obligation. However, let me say to you that as in this provision as in others, we are quite amenable to compromise but as we view it, it does not in any way imperil the solvency of the fund and the downstate portion would continue to go for roads downstate."

Day: "Well, as I...as I recall, the increase that we had in auto license fees and truck license fees produced almost as much money as the increase in gasoline taxes. Now, if we take...ah...one half of the auto license fees and divert them for another purpose it would seem to me that we would reduce the funds available for paying those bonds by an approximately 25 per cent. And to that extent, I think that this proposal would have the overall effect of abandoning that comprehensive road program to that extent. In any event whatever...whatever money is diverted from the road fund would constitute... for R.T.A. purposes or for real estate tax reduction purposes would constitute an abandonment of the highway program to that extent. Wouldn't you agree?"



Katz: "Well, the money for the real estate tax abatement program does not come from the road fund at all. That comes from the sales tax. The road fund money in the 96 counties continues to go to the road fund. It is earmarked for purposes of use in the 96 counties. It is only in the six county area that the license fees go to R.T.A. purposes. It is our view that it is a small percentage of the road fund and would not imperil the solvency of the fund. That is our understanding. Unfortunately in order to reach agreement it is necessary to make compromises and they do have certain consequences, but in our view they really are not sufficiently waiting to justify to taking a position against this compromise program."

Day: "I think that clears that point up. Now, my last point is this. You have...ah...stated that in your opinion from the standpoint of revenue reform, your highest priority would be reduction of the real estate tax. Have you considered the fact that the 1970 Constitution mandates the Legislature to eliminate personal property taxes by 1979 and that the General Assembly has been wrestling with various Bills, most recent of which was the...ah...Bill of Representative Clabaugh to provide some \$60,000,000 to local governments to repay the personal property tax. Would you say that as we sit here today...ah... the matter of reducing real estate taxes has a higher priority than the mandate in the Constitution which we will soon be faced with in a very few years of replacing the personal property tax all together."

Katz: "Well, I just dislike choosing between my mother and my father in that way, because I agree with you that the Constitutional priority is an important one. But from the point of view of the taxpayers of



Illinois, it is my belief that they view real estate tax relief as the highest priority."

Totten: "Does the Sponsor care to close?"

Katz: "I think, Mr. Chairman, that I should express to you my appreciation for the attentiveness with which you have followed the discussion here today. I want to assure you that I and my colleagues have put in this as a bonafide effort to try to reach agreement on an R.T.A. Bill, which we think is quite...quite essential. I think that it is very easy to magnify differences and to accentuate disagreements. The need for the moment is compromise and to find a middle ground and not to throw out the baby with the bath water. I think that the interest in terms of getting an R.T.A. for the northern metropolitan area outweighs the differences that I have heard with reference to the pending Bills. And in the event that it is not possible to secure the requisite votes in the Legislature, we do not want to see a repetition of what happened in the spring and we hope that just as four Democrats and four Republicans got together here and some more Republicans and Democrats have chosen to come up and go on the Bill that we will be able to get bipartisan agreement here on the need for R.T.A. and we hope that our proposal will commend itself to you and to the Governor and to the Speaker as a fair, a reasonable and an honest attempt to come up with a good R.T.A. and they are perfectly free to utilize our provisions toward that end. Thank you very much."

Totten: "The next Bill. House Bill 7. Representative Shea. I'd like to announce that everybody be alert the next ten or fifteen minutes. There will be a man, I've given permission to take some pictures on the Floor of the House. So, all look alert."



Shea: "Mr. Chairman, may I proceed?"

Neff: "Yes, Representative Shea, if you will proceed."

Shea: "Mr. Chairman, Members of the Committee. Senate Bill... or House Bill 7 of the Third Special Session appropriates from the Transportation Bond Fund, Series A, \$40,000,000 to the Department of Transportation for use... their use primarily in Cook County. This was inadvertently dropped from one of the Highway Bills and we are appropriating this to the Department of Transportation. That, Mr. Chairman, is the whole Bill."

Neff: "Are there any questions to Representative Shea on House Bill 7?"

Shea: "Thank you, Mr. Chairman and Members of the Committee."

Neff: "Thank you." The next Bill that will be heard is House Bill 30 by Representative Bradley." Representative Bradley."

Bradley: "Thank you Mr. Chairman. Mr. Chairman and Members of the Committee. House Bill 30 would appropriate the sum of \$547,360 or so much of...thereof that might be necessary. It would be appropriated to the Board of Regents to pay the annual principal and interest for the auditorium portion of the University Union Auditorium at Illinois State University. During the summer after our...ah...the Session ended in July, the 2nd of July, I wrote each one of you and called to your attention the fact that we had an error in Enrolling and Engrossing that deleted Amendment #4, which was this Bill and they made it Amendment #3 in the Board of Regents appropriations Bill and we lost the appropriation. I would just like to remind you that what has happened at Illinois State University is a project, an auditorium project that is combined with a student union auditorium complex, in fact that's what it's called and the students are paying a \$38.00 a semester fee to pay off



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the bond, to support their part...this particular auditorium, student union complex. Now, I think that it is unfair to ask the student body to be paying a fee for something that they do not particularly gain any services from such as they expected from a auditorium...a student union complex. I would like to tell you too that this is, will not be a yearly appropriation request because we have a Bill in the House that we will address ourselves to next spring that asks for the Capital Development Bond Board to take over payments of the auditorium share of this particular complex. So that, we will not be back year after year asking for this same appropriation. I think it's a good piece of Legislation. I think we have an opportunity here to correct an error made in Enrolling and Engrossing, reduce the students in, by some \$19.00 or reduce it 50 per cent if we can pass this Bill. We have a number of people from I.S.U., a number of students that are with us this afternoon. I would like to ask the President of the Student Association, Mike McConnell, to come down. I think he has filled in a re... a witness slip and make whatever comments he would like to make regarding the, this particular piece of Legislation and then if there are any questions I'd be glad to answer them. Thank you."

Neff: "Mike McConnell."

McConnell: "Ladies and Gentlemen. With the cost of Higher Education rising all the time, part time jobs becoming more scarce and financial aid becoming more difficult to obtain, students need and would welcome financial release in any form. With that in mind, I.S.U. students are in support of House Bill 30. Specifically, there are two reasons for this belief. First, to attend I.S.U. and pay for a full years room and board and tuition



a student must presently pay \$1,793. Even this figure, in light of inflationary problems, the energy crisis and the like is in danger of rising above the \$2,000 mark next year. Hence, for pure economic reasons students need the help offered by this Bill. Next, an action such as that contemplated by House Bill #30 is consistent with precedence set by this body to appropriate funds for university class facilities. The principle function of our new university union auditorium is not only to serve students but also other university groups as well as citizens of our community and the state. This building is the primary center for the performing arts in central Illinois, second only to the Krannert Center for the Performing Arts at the University of Illinois. Not only does this provide cultural attraction but it serves I.S.U. students of music and theatre as a place to practice and experience their educational interests under near ideal conditions. Both performance and technical skills are given a perfect opportunity to improve. Hence, this is an educational and cultural investment the state needs to make. For these reasons, we hope you will endorse our views and support House Bill #30. Thank you very much."

Neff: "Thank you, Mike. We have some other young folks here that aren't going to take the time of the House to testify but I would like to recognize them. We have Jack Haskell here, President of I.S.U. Association of Residence Halls and a member of the residence hall, Honorary Phil Trip, Vice-president of the Association of Residence Halls of I.S.U. and a member of the residence hall; Honorary Nick Senowith, Academy Senator, Chairman of the Senate...Student Senate Affairs Committee, I.S.U. Student Association of



Assemblymen: George Merker, Vice-chairman of the Academy Center and member of the Student Association. Mike Keen, Public Relation officer of the Student Association and Debbie Murphy, the newspaper reporter. We appreciate you folks being here and we also appreciate not taking up the time of the House. Yes, Mr. Bradley, will you close now on 30."

Bradley: "Thank you, Mr. Chairman. I'll be very brief.. I'd just like to recognize and remind...and call to your attention that we have co-sponsors on this Bill of Representative Lauer and Deavers who are also the...from the 44th Representative District. The Bill that I talked to you about, the Capital Development Bond Bill that will take over, I hope, the full funding of this particular project is co-sponsored by Representative Hoffman and myself. Gene is the...or was at the time of his sponsorship of the Bill the Alumni Chairman for Illinois State University. So, I'm just pointing this out to show we do have bipartisan support and it is an error we're correcting in Enrolling and Engrossing that brought about the necessity of this Bill and I hope that we will have everybody's support when we get to the...to passage stage. Thank you very much, Mr. Chairman."

Neff: "Thank you... The next Bill that we will call will be House Bill 32 by Representative Peters."

Peters: "House Bill 32 appropriates \$769,592 to the Board of Governors for the state colleges and universities for permanent improvements at Chicago State University, Governors State University and Northeastern University. The amount for Chicago State total is \$47,888, at Governors State \$696,679 and at Northeastern University \$23,078. The money here is an appropriation for work that is already in the process or work that has



been completed. It has been agreed to by all parties concerned here and represents really an error made in the determination of the Board of Governors budget to begin with when it went to the Governors Office. I move do pass."

Neff: "Are there any questions? If not, thank you, Representative Peters. The next Bill that we'll hear will be House Bill 26...sponsored by Representative Craig. Representative Craig."

Craig: "Thank you, Mr. Chairman and Members of the Committee. This is the appropriation Bill which appropriates \$904,211 for personal services and \$923,120 for contractual services for Eastern Illinois University. Now, this Bill which totals \$1,800,000 was agreed upon by both Houses. The House, the Senate and the Governor but in the Conference Committee it was some way made...an error was made somewhere along the line and this money has already been obligated by the University and I don't know on...I talked to both sides of the aisle and I know of no objections and I appreciate your support and...on this particular measure."

Neff: "All right, any questions of Representative Craig? Thank you, Representative. Do you want it... Representative Giorgi on the Floor? The next Bill we'll hear, the Representative Giorgi Bill, these will be House Bills 27 through 29. Is that right? And this is the so called Lottery Bill that some of us have heard about."

Giorgi: "Thank you fella's. No great basic changes in the Lottery Bills. Are there any questions? All right. No questions. No questions...no questions."

Neff: "Representative Miller."

Kempiners: "Representative Kempiners, Mr. Chairman. Zeke, you said there are no major changes and if I remember



correctly when your Bill was up last time on the House Floor, I asked a basic question as to how do you approach the distribution of materials, collection of money and so forth? How does your Bill approach this?"

Giorgi: "It's in the hands of the Commission and the original plan is for banks to be the holding stations, the Commission through superintendents to license ticket sellers. There will be a police check, credit check and so on. It's all in the Commission rules but the banks will be the holding stations and all the... every bank in the State of Illinois will qualify as a holding station."

Kempiners: "You didn't have this in your previous Bill, did you?"

Giorgi: "No, because the authority is all in the Commission. The Commission is the complete authority."

Kempiners: "Okay, well I object to that but I like the inclusion of at least some means of distributing the material."

Giorgi: "Well, because it's such, you know, an odd novel way of doing business, it's sort of like a private business. You can't hamstring them in any way to have a successful lottery."

Kempiners: "Thank you."

Neff: "Thank you, Representative Giorgi." The next Bill will be House Bill 31, by Representative Hanahan. Is Tom Hanahan on the Floor? Wait a second... If the Sponsor isn't on the Floor now, we'll move right along to House Bill 2 by, Sponsored by Gene Schlickman."

Schlickman: "Thank you Mr. Chairman and Members of the Committee of the Whole. House Bill 3...2. House Bill 2 of the Third Special Session is identical to House Bill 1 of the Second Special Session which



was presented to you the day before yesterday. Specifically what it does is to exempt drugs and medicines and medical supplies from the sales tax. The amount of relief that would be provided to the taxpayers of the state and those in need, the poor elderly and sick would amount to \$30,000,000. It is a companion, in this Special Session, with House Bill 3, Sponsored by Representative Walsh, Richard Walsh and I now would like to turn the podium over to him.. Thank you."

Neff: "The next Bill to be called is House Bill 3, by Representative Dick Walsh."

Walsh, R: "Mr. Chairman, Members of the Committee. House Bill 3, simply adds \$300. to the personal exemption in the Illinois Income Tax Act. The exemption as it now stands is one thousand dollars. If we increase the exemption by \$300. we will effect state general revenue by \$75,000,000. Representative Schlickman indicated that under House Bill 2, some \$25,000,000 in general revenue funds will be lost so these two Bills amount to \$75,000,000 and \$25,000,000. \$100,000,000 and this is what many of us feel is the best course to be found in the event we are to have some tax relief for the citizens of Illinois. It's important, Ladies and Gentlemen, to note that these two Bills provide tax relief for individuals and individuals only. There will be no corporate benefit, no benefit to any out of staters, visitors, conventioners in the event these Bills pass. It provides tax relief for Illinois taxpayers. I'd like to point out that this is the best way, in our opinion to provide tax relief through the Illinois Income Tax because as we all know the rates can not be changed unless we also change the corporate rate. It's, I think, unfeasable to put a deduction



a page 2 deduction in the Illinois Income Tax because if we first do that there will be cries to do it a second, third and fourth time. To provide for this increase in the exemption we are releasing the taxpayers at a time when there is a surplus such as there is at the present time according to Governor Walker and we can reduce it in time when funds are needed. This is a, a spigot approach, if you will, the \$300. that we are adding to the exemption can, in future years be reduced in the event additional funds are necessary. Thank you for your attention. I'll be happy to answer any questions."

Neff: "The next Bills will be House Bills 13 and 14 by the Honorable Clyde Choate."

Choate: "Thank you. Well thank you very much, Mr. Chairman and patient Members of the House. I will be as brief as possible, I will make an opening statement and then have Director Harvey and Dwight Gilpin of the United Auto Workers to, who desire to make a brief statement and Director Harvey will make himself available for any questions that anyone might want to ask from a technical standpoint. But I want to say to the Membership today that the Legislation that we are considering will provide, as I'm sure you will recall from the last Session of the General Assembly, \$110,000,000 in direct tax relief to every man, woman and child in the State of Illinois. This is an unprecedented slash in state taxes and it's designed to reduce the regressive and burdensome impact on individuals and I stress individuals of the taxes imposed on food products and medicine as far as human consumption. This Legislation provides immediate relief from taxes being paid this year. Not a fraction of a cent



of tax reduction that would go into effect eight months from now under provisions of other Bills as we have heard discussed here. House Bill 13 mandates the Department of Revenue to rebate a flat grant of ten dollars from the general revenue fund for every individual who has lived in the State of Illinois for at least six months on each calendar year. Under the provisions of the Bill an individual or a head of a household need only submit a grant claim to the Department of Revenue for himself and his dependents prior to May 1 of each year for grants applicable to the previous calendar year. The Department then must make grants payable...payment to all applicants prior to June 30. A typical family of five, for example, would receive \$50 in tax relief every 12 months under this Legislation. This direct tax relief would have the effect of reducing the state income tax burden of this average family by more than 40 per cent. Almost one half assuming the family had an average income of \$10,000. I think that we could look at these cash grants as a big slash in the family food and drug sales tax Bills. The same average family now spends very roughly \$100 on food and drug sales tax. The \$50 grant would reduce this tax by more than one half. I've stressed in the past that House Bill 13 provide tax relief for individuals. This is what it's all about. An individual tax relief. Mr. Chairman, I would ask that Director Hovey be the next witness as far as House Bill 13 and 14 are concerned."

Neff: "Mr. Hovey, Director of the Budget."

Hovey: "Mr. Chairman and Members of the Committee of the Whole. The Legislation before you reflects two basic and extremely important policies for the



State of Illinois. The first of those policies is that we should not necessarily spend all of the increases in revenue concurrent taxes that come by the operation of inflation and growth in the economy. To do that we have to be prepared to keep the state belt relatively tight, which is exactly what we have proposed. Second, it reflects the notion that the savings thus generated should be turned back to the taxpayers from whence they came and turned back to the taxpayers in such a way that the income effect of the state tax system will be less regressive. That is that we in effect will take a lesser burden from the poor relative to the rich. Those two concepts are reflected in the \$10 credit. I'd be happy to answer any questions that anyone may have, much of the material was covered when I last testified on other tax Legislation."

Neff: "Are there any questions to Director Hovey? Representative Mann."

Mann: "Director, I haven't gotten one letter from my district either on the Governor's program or for that matter on any other so called tax relief program and I really don't think that...believe it or not, that there's much agitation out there in our districts for these programs. Have you gotten in the Executive a lot of response to this program?"

Hovey: "We have not received a lot of mail on tax programs directly and I think I can explain why. If you talk to, for example, a working person with a family in an income range from five to say \$15,000 he will tell you about the economic crunch that he faces and he's right. Over the last year and a half his real standard of living goes down. What he doesn't know is what causes that and



one of the things that causes that is that the bite that government is taking out of his paycheck is increasing all the time. As a percentage of his income by the automatic effects of federal and state taxes. So, he may not be in a position to see what you can see, which is what we as government have been doing to him."

Mann: "This will...will this apply to persons on public assistance? Will they be getting any money?"

Hovey: "House Bill 13 does provide for the payment without exceptions. So that persons receiving public aid would be eligible for the payment."

Mann: "Well I don't know. It seems to me that the humane welfare system would be amuch better way of helping poor people than to give them a one shot sum of money which really isn't going to have a very profound effect on their standard of living."

Hovey: "Well if we were to take the approach that tax relief has to be massively large to be important we would end up with a public policy of spending all our income whether we had good projects or not. The fact of the matter to do it be adjustment, for example in the standard of living that we use for welfare is to penalize the very people of society we presumably wish to help. Namely those on the margin who make relatively low incomes but are not on the public aid roles."

Mann: "Well, you think a one shot payment of ten or twenty or thirty or forty dollars is...is going to make any real difference? Is that what you're contending?"

Hovey: "Well, take a family of four. A one shot payment of forty dollars repeated every year to infinity is a lot of money. Now, that's not as much as perhaps



as we'd like to provide or you'd like to provide. On the other hand it is clearly "\$40.00."

Mann: "I know it's \$40.00 but as far as I'm concerned it's...it's very gimmicky because it doesn't really affect, it's not going to enable them to really change, in my humble opinion, their style of living or change in any way their opportunity in the future to change their style of living. It's not that it means increased educational opportunity, it's not going to mean an ability to move into different housing. Do you know what I'm saying? I'm saying that it has about it...a gimmicky approach which may impress some voters but which I don't think is very meaningful. I think that sum of money could be better put to use in a number of different ways." How much are we talking about, for example, in the next fiscal year under this refund program? How much money are we talking about?"

Hovey: "About a hundred and eleven million."

Mann: "Well I'm sure if you and I sat down we could figure out a way of spending a hundred and eleven million dollars that would have a much more meaningful affect on the way people exist. For example, the State of Illinois, as you may or may not know, has elected under the change over with regard to the aged, blind, disabled as elected, unlike California or New York to acquire that certain persons pick up payment for Medicaid, although the whole Medicaid program was based on free care, theoretically for the aged. So why we would be maintaining these persons on aged blind and disabled on a certain level after January 1, we'll also be taxing them out of that level to pay for their Medicaid? So we'll really be reducing them. It would seem to me it would be much more meaningful in terms of their



state of being, namely their state of health in keeping them out of hospitals to continue to fund their Medicare rather than to give them this one shot of \$30 or 40 or \$50. I don't know whether you agree with that or not but."

Hovey: "Well we persistently believe in our society that when it comes to dealing with a question like public aid that income is the solution and we all consider issues of cost of living increases, for example for public aid recipients being an important issue. When we're dealing with the same kind of relatively small increases but with big dollars for the working poor, why don't we also adopt the same notion that more money will, to some degree help them get better education, better health and better housing?"

Mann: "Well, because it isn't true. Let's talk about the working poor. Under the election which the state has taken with regard to the working poor, they're also going to be penalized in that they're going to have to pay for a part of their health care after the federal take over in January. Are you aware of this?"

Hovey: "Well as I understand the H.R. 1 takeover, it relates only to the categories of the aged, blind and disabled and the bulk of our working for are not aged, nor blind, nor disabled."

Mann: "Yeah, but you're talking about 140,000

Hovey: "But, the bulk of whom are not working."

Mann: "Look, all... I guess what I'm saying to you is that if you persist in saying that this \$10.00 a person is going to have some kind of a pump-priming effect or some kind of a meaningful change in peoples standards of living or the way they perceive their futures and so forth and so on. I'd have to



say to you that in my humble opinion that that's hogwash."

Hovey: "Well, I'd just like to say this, that in this matter, as many others, perfection is the enemy of improvement and if we end up belittling, giving someone \$50.00 because we think we should give them 200 and end up giving them nothing at all we really haven't solved this problem."

Mann: "Well, I'm saying that you're giving them something because it's a politically appetizing choice. It...it... and you're holding it out as some kind of a government large....and what you're showing governmental concern for the working poor whom we surely should be concerned about other people but I don't think you really seriously think that this is an instrument of government which is going to improve the lives of working people and...as I say, if you seriously believe that then...then you and I have a real profound disagreement. I think that there are many better ways of spending \$110,000,000 in the State of Illinois. That's just one man's opinion."

Hovey: "It obviously boils down to a choice. At one point does one believe that the best person to judge the use of an individuals income is that person. And at what point does one believe that it's his government and this proposal reflects some of the notion that the money can be more effectively allocated by the individual than by state government."

Mann: "No, I would suggest to you that it represents on the contrary, a political judgement about which way of helping people is going to be more related to a particular administration credit rather than developing sound programs that are really going to change things. That's what I would submit to you.



And why should your...you know, administration be any different than the others?"

Hovey: "For what it's worth, I'd have to respectfully disagree with that."

Neff: "Gene Schlickman, you were up while ago, is Gene on the Floor? Representative Schr eder."

Schraeder: "To just follow up what Representative Mann asked, am I correct in assuming that the \$10.00 per person would go to aid recipients who had no taxable income in any current year? Is that the philosophy?"

Hovey: "That is correct. The way in which the Bill is drafted, everyone would be eligible."

Schraeder: "And I am also correct in assuming that if the total income of a recipient was paid by funds from public aid and this would include everything paid in the way of taxes on drugs and medical supplies and they too would get the \$10.00 rebate without question? Am I saying...what I'm saying is then this...an additional \$10.00 that they would get as public aid recipients?"

Hovey: "Yes and no. Let me untie that question a little bit. They...the public aid recipient still does bear the burden of sales taxes except on those items that might be totally covered by Medicaid, such as prescription drugs. Nonprescription drugs, food not covered by food stamps and the like, there still is a tax burden. Now, after you pay money to a public assistance recipient, remember that the other payment that the state makes, the state, the welfare payment itself is based upon a standard of need and the standard of need basically permits the deduction out of various income sources. So that the inner action of the grant and the standard of need would in some cases, depending on the standard



of need would in some cases depending on the standard of need in the regulations reduce in part or in whole the public aid standard, even though the \$10.00 payment would be made."

Schraeder: "All right, then following through, just to make sure I'm clear on this. If an aid recipient receives no other income, excepting the payment from public aid, this \$10.00 then would be deducted on his monthly allocational...over a 12 month period."

Hovey: "I would have to say I'm not positive on that point. We tried to research it in terms of the current Illinois regulations and it wasn't really clear because the notion of a direct governmental transfer payment is not explicitly covered in the regulations which is why I'm a little vague in my answer and I'm sorry."

Schraeder: "Thank you."

Neff: "Representative Peters."

Peters: "Director Hovey, just one question. I have here a letter which was sent to Representative Ralph Dunn, signed by the Governor in response to Representative Dunn's inquiry concerning the Governor's veto of House Bill 634 and I'll read you the entire letter. It's four lines. It says, 'Dear Representative Dunn. In response to your telegram concerning my veto of House Bill 634, the Department of Revenue will administer the grant program without additional costs. The Bill would provide a \$10.00 grant every year, but could easily...be easily changed up or down every year to reflect the current fiscal condition of the state.' The first question is, I think all of us here would like to know, by what formula or what magic a new program can be administered without any additional costs? Not only for us



here but I'm sure for every governmental body from the Atlantic to the Pacific."

Hovey: "In...In communications between the Executive Branch and the Legislative Branch, the way that we normally communicate with each other on additional costs is when we say we'll do something without additional costs. We are saying to you, not that we won't do it, or that we won't mail any checks or open any envelopes, which we will obviously. But that we do not plan to request additional funds from you for the purpose of doing whatever it is."

Peters: "You are suggesting then that the Department of Revenue is adequately funded, has sufficient expertise, sufficient personnel to undertake the work they are now doing plus the additional work of administering this grant program?"

Hovey: "With the...the answer to the question basically is yes. You have in the question whether or not the Department of Revenue is adequately funded. There is another function within the Department of Revenue which we have been discussing with the Department of Revenue with respect to potential tax processing delays current system. With the exception of that function, yes."

Peters: "Well then... Well I suppose someone can end up saying that there's enough people to do this added duty that maybe you had too many before. But we won't go into that."

Hovey: "There's a possibility they might say that."

Peters: "Now this is a question in regard to the second sentence and that's the last one. 'The Bill will provide a \$10.00 grant every year but could be easily changed up or down every year to reflect the current fiscal condition of the state.' I take it by that... Am I right in taking that to mean that



this year we're talking about a \$10.00 grant, next year it might be \$15.00 and in 1976 it might be \$40.00 and then after the election it might be 42c."

Hovey: "I don't think it would quite operate in that fashion. Legally it is a piece of Legislation that obviously could be amended with, as could for example, the other tax relief Bills that are before you. I have indicated to you by way of a certification, if you will, that we project sufficient available funds to be able to continue the program at the \$110,000,000 level indefinitely. It is obviously the case that both you and the Governor hope that the safe revenues and expenditures will work out in such a way that more tax relief can be provided in some form or another, even though you all may disagree on the form."

Peters: "Then you do see this as a beginning of an ongoing, continuing kind of program based on whatever surpluses there might be?"

Hovey: "Yes."

Peters: "If that's the case, Director, do you think that it would be more advantageous to the state, to the citizenry, to the individuals in the various departments who have to administer this, to the Legislature, to end up passing Legislation which says to the Department of Revenue, the Department of the Budget, figure out what the surplus is and figure out what we've got on income tax and when you're computing the refunds to the people, just give them whatever the surplus is."

Hovey: "I like such a provision except for one thing. That the appetites of all of us tend to cause us to propose public sector programs to use up whatever money we perceive as being available for



those programs. Now, I would be afraid that such a program would end up with the amount being zero every year."

Peters: "Director, I agree with you wholeheartedly and that's my sentiments exactly in regard to this \$10.00 refund."

Hovey: "Thank you."

Neff: "Roscoe Cunningham. Mr. Cunningham."

Cunningham: "Mr. Director, has there been any precedence for this program that you've proposed in these Bills 13 and 14. Has any other state done this?"

Hovey: "The...ah... A number of European countries have what they call family grants or demo grants that are basically tied to family size. Other states have given the equivalent thing because remember that when, for example, you had before you earlier today a Bill that would increase the exemption. Any time you increase the exemption with a flat rate tax, you are basically doing the same thing. You are providing a flat amount of tax relief, only in that case all your taxpayers, unlike this plan, which includes non-income tax payers."

Cunningham: "But, can you give us a for instance where any state of these United States in all these 200 years have given a cash dole to all of their members indiscriminately?"

Hovey: "The only program I know that is exactly of that type as to sink from doing it from the income tax which is economically the same, is I believe the Governor of New Hampshire proposed the revenue sharing to be used that way. Whether it passed or not, I'm not sure."

Cunningham: "Well does it not seem paradoxical to you



that we should be handing out money with one hand and incurring an additional debt on the other hand. The other day I asked you about the financing for the freeway construction. You remember that?"

Hovey: "Yes."

Cunningham: "And you made reference to the proposed bond issue of \$450,000,000. Would it not seem to make more sense to reduce the bond issue to \$340,000,000 and save the 110,000,000. But the argument again's such a short cut to efficiency."

Hovey: "Two arguments. One, that would probably be a substantial number of people who, if the money were not provided as tax relief, would in effect try to utilize the money for additional public programs and go ahead and bond everything they plan to bond anyhow. The second problem is that there are a number of people who do believe that the appropriate distribution of the burden of cost of constructing something like a freeway ought be not to pay it all out of tax...taxpayers, but one twenty-fifth out of this years taxpayers, one twenty-fifth out of next years taxpayers, etc. for the life of the freeway."

Cunningham: "Do you foresee any danger that the public might misconstrue this particular Bill as a blatant effort to buy political favor, to buy the votes in support of the recipients? That's not a partisan statement but hopefully it would affect both, everyone that voted for it from either side of the aisle. Can you see how the public might reach that conclusion that they were being purchased at \$10.00 for each?"

Hovey: "It's...that's something I can comment on a nonpartisan basis. It's been my experience over the



years that anytime anyone in political life proposes to do anything for people, somebody's bound to stand up and accuse him of trying to buy the people with that particular thing."

Cunningham: "Would you think it as an abandonment of caution that we have a provision that this amount couldn't be raised in election years or even preferably that there should be no distribution in election years. Or would that underscore the suspicion that we...that we suggest might be raised?"

Hovey: "The main problem with that is the legal problem because no matter what you write into the Bill you can obviously amend it in an election year. Since it's a law of your own. I would think that the way to look at that is to notice the fact that if we have money available it is a very conscious decision to commit to a tax relief plan early. The alternative, if you wanted to be political about it we'd store the money in the closet and try it out on an election year."

Cunningham: "No...no, I say from a philisophical standpoint, shouldn't there be some limitation against its abuse in election years or is that too cautious? What's your reaction?"

Hovey: "Well... I would think that if one is providing a program of this kind, one ought to plan to do it continuously without change upward or downward except when revenue permitted. Under those circumstances what you would in effect be doing is committing yourself now to a level payment and if you should choose to raise it in an election year or any other year, I think the taxpayer would be ill served by a notion of putting a ceiling on tax relief."



Cunningham: "Now, from the time that this Bill has been proposed, haven't you discovered that it is very popular and that it's popularity is similar to that of Christmas and Santa Claus. It is well received throughout the state, isn't it?"

Hovey: "I would... I would have to say the answer to that as far as I can tell is yes."

Cunningham: "And so any of us who seek reelection would be foolish to vote against it, isn't that true?"

Hovey: "That's a political judgement, which I can't make."

Neff: "Pardon me... Why does the Gentleman from Cook, Representative Maragos, arise?"

Maragos: "Mr. Chairman, point of order. I think the line of questioning does not have to do with the substance of the Bill, but only innuendos of the questioner and I think this, I raise a point of order that we should stay within the germaneness of the substance and not go around it in order to embarrass or make any political hay."

Neff: "Representative Cunningham, will you confine your remarks to the substance of the Bill?"

Cunningham: "I'm probably guilty, whatever it was he said."

Neff: "Thank you." Representative Hudson."

Hudson: "Director, I have been trying to listen attentively, but perhaps I have missed a point or two here. Do you feel, from a standpoint of business principal or even business efficiency, that it would be best to leave the money, if possible, in the pockets of the people rather than take it from those pockets, funnel it into the state coffers and then hopefully reimburse or dispense a portion of this perhaps \$10.00 one year, 20 the next 15 the next or whatever? I'm talking now from the standpoint of just plain business efficiency. If you had your



choice between the two ways of doing it, would you take this one as your proposal?"

Hovey: "On the grounds of the efficiency of any proposal that affects income, you're absolutely right in the implication of the question which is if you can do it, it is more efficient not to take it from the taxpayer in the first place. The problem comes in finding ways not to take it from the taxpayer because as I testified the other day, if you say, reduce the sales tax you provide just proportionate benefits to richer people. If you have some kind of a head tax, for example, in this state now, we'd be recommending the repeal of that tax and we would have solved the problem by getting rid of the tax rather than going with the grant structure. The next best thing is to keep administration as simple as you possible can."

Hudson: "Well, you're not saying then that it would be impossible...that it would be impossible to find means whereby we did not take the money from the people in the first place. In other words, that's not an impossible proposition if we put our thinking to the problem. Would you say?"

Hovey: "I say this, because I know of no tax that could be reduced in such a way that people would receive benefits from the reduction that would be exactly proportional to the number of people in the household since that's not the basis for any tax. The closest thing we could do would be to operate in the context of the income tax, which is in substance what you do here when you reduce one check based upon the impact of what we owe them on another check."

Hudson: "Thank you."

Neff: "Are there any other questions? We do have another



witness here. Thanks Mr...Director Harvey. Is Mr. Gilpin here? Mr. Gilpin, we'll, for the record... did sign a witness slip as a proponent on 1314. Mr. Gilpin is the Legislative Director of the United Auto Workers Union. The next Bill is House Bill 31 by Representative Hanahan."

Hanahan: "Mr. Chairman and Members of the Committee of the Whole, House Bill 31 is brought about by the appropriation method that we use in combining the administration of the School Construction Bond Act with the operations budget of the Capital Development Bond Authority. We found that in the short time of the trying to administer this appropriations that it was virtually impossible due to the fact that we couldn't...we had, we would have to segregate the time of each employee each day against the two operations and the guess work that was involved on who would pay for what employees payroll becomes almost impossible to administer. So the introduction of House Bill 31 is to bring about a consolidation with no increase in the total appropriation for the operations of the Capital Development Bond Authority. I don't know of any opposition to the Bill."

Neff: "Are there any questions on House Bill 31? Thank you, Representative Hanahan. I believe this concludes all the Bills, if I haven't made a mistake jumping around here on the Committee of the Whole. Again I want to thank the Honorable Clyde Choate. He was very kind and even though he could have been up pretty well to front to talk if he would have wished, he let everybody else go and pretty well took to last. The Chair recognizes Representative Walsh now. W. Walsh."

Walsh: "Mr. Chairman, I move that the Committee of the Whole arise and report."



Neff: "The motion is made. Representative Palmer seconds the motion. All in favor of the motion signify by the usual sign of 'aye'. Opposed same kind. Motion carries. Representative Walsh."

Walsh: "Well now, Mr. Speaker, we're in the Third Special Session and I understand that there's a Bill on Third Reading that's going to be called now. House Bill 38."

Speaker Telcser: "Okay, House Bills Third Reading. House Bill 38. House Bill 38. Will the Clerk read it a Third time? In the Third Special, Clyde. Fred Tuerk."

Clerk Aikman: "House Bill 38."

Speaker Telcser: "We got a new Clerk."

Clerk Aikman: "The Bills Amendment reenacts Section 17 to 11 as amended by Public Act 772742. Third Reading of the Bill."

Speaker Telcser: "The Gentleman from Peoria, Representative Tuerk."

Tuerk: "Mr. Speaker and Members of the House, a day or two ago, as you recall, I explained the reason for this Special Bill in the Special Session. It was to correct an inadvertent error, which we made in drafting House Bill 1406, earlier this Session which was based on the '71 statutes, rather than '72. So we're...in effect what 1406 did was invalidate portions of the statutes that the General Assembly approved in 1972. And what this Bill does is merely reenacts and I would move for a unanimous Roll Call."

Speaker Telcser: "Is there any discussion? The question is, shall House Bill 1...House Bill 38 pass? All in favor of the Gentlemans motion...all in favor signify by voting 'aye', the opposed by voting 'no'. Now, we have not established a Roll Call today. So the Clerk will call an oral Roll Call. Taking a



Roll Call vote on House Bill 38 in the Third Special Session. The question is, shall it pass. We haven't established..."

Clerk Selcke: "Alsop, Anderson, Arnell, Barnes, Barry, Beatty, Beaupre, Berman, Bluthardt, Borchers, Boyle, Bradley, Brandt, Brinkmeier, Brummet, Caldwell, Calvo, Campbell, Capparelli, Capuzi, Carter, Catania, Chapman, Choate, Clabaugh, Collins, Craig, Cunningham, D'Arco, Davis, Day, Deavers, Dee, Deuster, DiPrima, Douglas, Duff, Ralph Dunn, R.L. Dunne, Dyer, Ebbesen, Epton, Ewell, Farley, Fary, Fennessey, Fleck, Flinn, Friedland, Garmisa, Geo-Karis, Getty, Gibbs, Giglio, Giorgi, Griesheimer, Grotberg, Hanahan, Harpstrite, Hart, Hill, Hirschfeld, Gene Hoffman, Ron Hoffman, Jimmy Holloway, R. H. Holloway, D. Houlihan, Jim Houlihan, Hudson, Hunsicker, Huskey, Hyde, Jacobs, Jaffe, Jenison, Emil Jones, Dave Jones, Juckett, Katz, Keller, Kelly, Kempiners, Kennedy, Kent, Klosak, Kosinski, Kozubowski, Krause, Kriegsman, Kucharski, LaFleur, Lauer, Laurino, Lechowicz, Leinenweber, Lemke, Leon, Londrigan, Lundy, Macdonald, Madigan, Mahar, Mann, Maragos, Martin, Matijevich, McAuliffe, McAvoy, McClain, McCormick, McCourt, McGah, McGrew, McLendon, McMaster, McPartlin, Merlo, Kenny Miller, Tom Miller, Molloy, Mugalian, Murphy, Nardulli, Neff, North, Palmer, Pappas, Patrick, Peters, Philip, Pierce, Polk, Porter, Randolph, Rayson, Redmond, Rigney, Rose, Ryan, Sangmeister, Schisler, Schlickman, Schneider, Schoeberlein, Schraeder, Sevcik, Sharp, Shea, Shurtz, Timothy Simms, Ike Sims, Skinner, Soderstrom, Springer, Stedelin, Stiehl, Stone, Taylor, Telcser, Terzich, Thompson, Tipsword, Totten, Tuerk, VonBoeckman, Waddell, Wall, R. Walsh, W. Walsh, Walters, Washburn, Washington, Williams, J. J. Wolf, B. B. Wolfe, Yourell, Mr. Speaker."



Speaker Telcser: "Representative Huskey...Huskey 'aye'.

All right, let's go slow now, there's a few Members here. Are you ready for some more...ah... On this question there are 116 'ayes', no 'nays', none answering 'present' and this Bill, having received the Constitutional three-fifths majority is hereby declared passed. House Bill... Senate Bills, First Reading. Now, there's a Senate Bill 21, do you have a Sponsor for that yet? Fred just told me this morning that also Senate Bill 21 is on Senate Bills First Reading and Senate Bill 21 needs a Sponsor. By error, it was not put on the Calendar."

Clerk Selcke: "Senate Bills, First Reading. Senate Bill 20. An Act to make an appropriation to the Board of State Colleges and Universities. First Reading of the Bill. They want to move this, who's the Sponsor?"

Speaker Telcser: "Do you want to move it? The Gentleman from Cook, Representative Peters. The Gentleman from Cook, Representative William Walsh."

Walsh: "Mr. Speaker, I'd like the Journal to show that the Committee of the Whole on the Third Special Session, has heard the following Bills. House Bills 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 39 and 40. The Journal so showing that, there will be a Supplemental Calendar distributed before this Session adjourns, which will hopefully be soon."

Speaker Telcser: "Okay, that will be Journalized. Representative...Representative Beaupre, for what purpose do you rise sir?"

Beaupre: "Mr. Speaker, would the Chair entertain a motion at this time in regard to two House Bills in this Session?"



Speaker Telcser: "Sure, what are your motions?"

Beaupre: "Mr. Speaker, I would like to move that the Rules be suspended in regard to House Bill 36 and House Bill 37 of the Third Special Session for the purposes of moving them to Second Reading without referral to Committee. These Bills are noncontroversial Bills. House Bill 36 is a Bill to transfer Federal Revenue Sharing funds to the Common School Fund. Giving the Governor authority to do so and House Bill 37, which is sponsored by Representative Bob Holloway is a Bill dealing with automobile in Sections which places the fees for those in Sections into the...ah...the funds available for R.T.A. I would move that the Rules be suspended and I would ask leave for the last Roll Call to be used."

Speaker Telcser: "Is that agreed? Okay, Rep...Representative Walsh, is it agreed?"

Walsh: "I agree, yes."

Speaker Telcser: "Okay, the Gentleman has asked leave for the...are there, leave for the last Roll Call. Representative Juckett, for what purpose do you rise?"

Juckett: "Well Mr. Speaker, we're...we haven't been told how much revenue...how much in revenue fund. We haven't been told whether the Governor has this power already, etc. And on Representative Holloway's Bill, we haven't been told what the Section is, what it covers. I think either we'd better have a more detailed explanation or have it go through the Committee system."

Speaker Telcser: "Representative Beaupre."

Beaupre: "Mr. Speaker, maybe it would be best if my motion were severed to include one Bill at a time then. In regard to House Bill 36, I would so move to sever the two Bills. Making the same motion in regard



to each. In regard to House Bill 36. We don't know how much federal revenue sharing funds there will be available for the federal physical assistance trust fund and so we do not know how much to appropriate. For that reason the Bill merely gives the Governor and the Bureau of the Budget authority to transfer those funds into the Common School Fund. This is a practice which...it merely is a, it continues an ongoing practice of transferring those funds to the common school fund and I believe there's agreement on both sides of the aisle that we ought to move this Bill to Second Reading."

Speaker Telcser: "The Gentleman from Cook, Representative Juckett."

Juckett: "Well, Mr. Speaker, it is my understanding that it is not an ongoing practice. That there was a specific Bill for a period of three months and that this is not just a blank check that we gave to the Governor before. And I'd like to... you know, are there any safeguards on the expenditures of the money and how much money are we talking about and if it goes into that fund, what fund isn't it going into?"

Beaupre: "Well, as I indicated, Representative Juckett, this is a continuing practice. All of the revenue sharings money has gone into the common school fund in the past. We are merely implementing and continuing the practice that has gone on in the past of transferring those funds. ...To the State Comptroller."

Juckett: "...Different Bill. There was one Bill and it transferred three months amount of money. That's the first time it's ever been done. So it's really not an ongoing practice. Now, how long is this Bill effective for?"



Beaupre: "Well, unless we appropriate the funds and give authority for the transfer by the Treasurer and the Comptroller, the money will merely sit in those funds in that fund, accumulating interest and will do the people of the State of Illinois no good whatsoever."

Juckett: "Drop the other two years? Okay."

Speaker Telcser: "Now is your motion, Jack, just for 36?"

Beaupre: "Merely for House Bill 36."

Speaker Telcser: "The Gentleman has moved to suspend the provisions of Rule 41a, I think it is, for the purpose of having House Bill 36 put on the order of Second Reading without reference to Committee. The Gentleman has asked leave for the last Roll Call. Are there any objections? Hearing none, on this question there are 116... Representative Schlickman, for what purpose do you rise, sir?"

Schlickman: "Would the Majority Leader yield for a question?"

Speaker Telcser: "What's the question? What's the question first."

Schlickman: "Well, he's got to promise that he's going to yield first." Well I'll pose the question. I'll be reasonable. I'm looking at the Supplemental Calendar for today, Third Special Session, R.T.A. etc., and I noticed that there are certain Bills that were heard in the Committee of the Whole Hearing that are not listed. Specifically, I refer to House Bill 12. Why isn't that on the Calendar?"

Speaker Telcser: "Well wait a second. Representative Schlickman, as I listen to your inquiry, it is not related to Representative Beaupres motion, is it?"

Schlickman: "Well I thought that motion was already adopted."

Speaker Telcser: "Oh, well I have to declare it then. On this motion there are 116 'ayes', no 'nays', none answering 'present' and the Gentleman's motion to



suspend the provisions of Rule 41(a) prevails so that House Bill 36 will be on the Order of Second Reading, First Legislative Day. Representative Shea, for what... Well no, let's stick to Schlickman. Representative Schlickman."

Schlickman: "Well, I repeat my question, Mr. Chairman.

Where is House Bill 12 and its companion Bill, which I would consider to be in the same class as House Bills 4 through 6 and House Bills 10... excuse me, House Bills 15 through... 15 through 25 and House Bills 30 through 40? Are we into that eligibility issue again? And if so, what does constitute eligibility?"

Speaker Telcser: "Representative Holloway, for what purpose do you rise, sir?"

Holloway: "Mr. Speaker, Ladies and Gentlemen of the House. In regard to House Bill 37..."

Speaker Telcser: "Bob, can you hold that for a minute until we finish up with Representative Schlickman's inquiry? All right, Representative Schlickman, House Bill 12 in the Third Special Session?"

Schlickman: "Yes, and I assume House Bills 13 and 14, which I believe are companion, I'm asking. I don't understand. I'm mystified and I would expect that I could get a response, intelligent."

Speaker Telcser: "Oh, now 12 was heard yesterday?"

Schlickman: "This morning."

Speaker Telcser: "This morning?"

Schlickman: "Excuse me, it was heard yesterday. I'm sorry."

Speaker Telcser: "Yesterday, in the Committee of the Whole?"

Schlickman: "Yes, I'm being consistent."

Speaker Telcser: "Representative Shea, for what purpose do you rise?"

Shea: "Well, I would assume after looking at this Supplemental Calendar, that certain Bills have been re-referred to



Committee, is that correct?"

Speaker Telcser: "Representative Schlickman, House Bill 12. Can I answer, Gene?"

Shea: "Well that's what I have specific reference to. I notice that some of the Bills on here, that do not appear, I think perhaps, if you made an announcement of which Bills were rerefered and then I'd have question about that."

Speaker Telcser: "Okay, pursuant to the Rules, House Bill ... Pursuant to the Rules, House Bills 7, 8, 12, 13, 14, 26, am I going too fast? 14, 26, 28, 29, 30, 31, 32...13 is on my list here, Representative Choate. Well, I've got 13 and 14 so 13 is in question. Who made the list up? Representative Shea, for what purpose do you rise, sir?"

Shea: "I just got Representative Garmisa asked me to find out why House Bill 12 does not appear on the Supplemental Calendar."

Speaker Telcser: "Well this is the question that Representative Schlickman put and we are now making that determination in the way of announcement."

Shea: "It appears to me, Mr.... It appears to me that there are Bills that have been left off that certainly aren't appropriation Bills and according to the rules do automatically be rerefered. Those I can understand, but the Bills that were heard in that Committee, that were not rereferred, I would assume wouldn't go on this Calendar."

Speaker Telcser: "Okay, now Representative Choate's point is well taken. 13... Jerry, listen and Clyde. 13 will be added to the Supplemental Calendar. It should not go to Appropriation. Okay? 12 goes to Appropriations. Repr..."

Shea: "Could you explain to me why 12 goes to Appropriations?"

Speaker Telcser: "Because 12 clearly spends \$60,000,000 per



year from the general revenue fund for the R.T.A."

Shea: "But, it has to be appropriated. It's not an automatic appropriation in that Bill. That is not an appropriation Bill, as you well know, Mr. Speaker. The \$60,000,000 talks about an appropriation it talks about setting up a fund, but this General Assembly, by its action would have to appropriate that \$60,000,000 every year, is that correct?"

Speaker Telcser: "Where is the appropriation Bill then for the \$60,000,000, what's the Bill number?"

Shea: "It doesn't have to be there until next spring. I don't think there's an appropriation Bill."

Speaker Telcser: "Well, we talked about it up here, Jerry, with Ted and Bud and we've all agreed that that would be the proper..."

Shea: "Well you know... I see, Representative Lechowicz says 'no'."

Speaker Telcser: "I want Ted to stay here with me. Ted can..."

Shea: "Did Representative Edgar get involved here too, or candidate Edgar."

Lechowicz: "Right, I just took care of your problem. I don't know about Jerry."

Speaker Telcser: "Ted says that 13 is out and 12 is in."

Shea: "He's turning almost Polish red up there, you understand."

Speaker Telcser: "He didn't say that at all, I'm only kidding, I'm only kidding."

Shea: "If...I'd like to find out in 12, anyplace where there's an appropriation of \$60,000,000 of state money. I don't think... I think you'll find that it talks about \$60,000,000 a year going and I think that...ah..the Speaker's Staff is sharp enough to realize that you can't put together a continuing appropriation in a piece of Legislation so that all



that you'd need is a, you'd have to appropriate every year in the mandate of that Bill and it creates a fund from which to appropriate the money. It creates an earmarked fund. But I don't think you'll find there's any appropriation within the context of House Bill 12."

Speaker Telcser: "But Jerry... Do you have the Bill here? Could we look at the Bill? The synopsis clearly says \$60,000,000."

Shea: "No, it talks about the creation of a fund."

Speaker Telcser: "Yeah, but it... But it also..."

Shea: "I'll tell you what... We'll get the Bill and let's look at it together. As Blair said, it's now, Blair-Nixon, let us reason together."

Speaker Telcser: "Blair who? I'm waiting for... The Liberal Coalition is meeting, Jerry. Blair and Katz. Representative Shea, for what purpose do you rise?"

Shea: "I know that Blair is coming out here to Speaker... to get Choate the rest of the Liberal Coalition together."

Speaker Telcser: "Okay, I think we've got it now. House Bills 7, 8, 14, 26, 28, 29, 30, 31 and 32. And as I understand it, there will be another House Bill introduced today, before we adjourn the Third Special Session, which will be #46, those Bills will be referred to the Appropriations Committee and the Chairman will make the appropriate motion to suspend the posting rules so they can be heard on Tuesday. Now 12 and 13, Senate Bill 20 also, I understand. Now 12 and 13 will go back and appear on the Supplemental Calendar, which has been passed out to you. So if you'll add 12 and 13 to the Supplemental Calendar, the Bills which have been read to you, including the one Senate Bill will be heard in Appropriations, I understand, Tuesday at 10:00. Is



that right? I think that answers your question and Jerry and Clyde... Now, Representative Washburn, for what purpose do you rise?"

Washburn: "Well, Mr. Speaker, then I would move that the appropriate Rule be suspended so that the Bills that you have just read could be heard in Appropriations Committee at 10:00 in room 212, next Tuesday and I think everyone has the list of Bills by now. 7, 8, 14, 26, 28, 29, 30, 31, 32 and 46 and Senate Bill 20."

Speaker Telcser: "Okay. Representative Borchers, for what purpose do you rise?"

Borchers: "Mr. Speaker, I would request Leave of the House that House Bill 44, Third Special Session be heard in the Appropriations Committee at 10:00 on Tuesday."

Speaker Telcser: "Representative Shea, do you wish to comment? Is that all right?"

Borchers: "I mean House Bill. House Bill, excuse me."

Shea: "I think that's a direct appropriation, as it should be heard and I think there's another one that I would make the same motion for, there was a Bill introduced... what's the number, Tom?"

Speaker Telcser: "Okay, is there further discussion?"

Shea: "I have a motion that I would like to include in that if it would be all right with Representative Washburn. House Bill 42, which is a direct appropriation. If that could also be heard along with Mr. Borchers's Bills."

Speaker Telcser: "What is..."

Shea: "These are both appropriations from the Court of Claims."

Speaker Telcser: "Is there any problem? Representative Washburn."

Washburn: "No, Mr. Speaker, they are direct Appropriation Bills and I would include House Bill 42 and 44 on my list."



Speaker Telcser: "The Gentleman from Cook, Representative William Walsh."

Walsh: "When were these Bills introduced?"

Speaker Telcser: "They're right here, Bill. They're right on the Clerk's desk. They'll be introduced and read a first time as soon as we get done with this..ah..."

Walsh: "But, do these Bills fit within the call?"

Speaker Telcser: "Well, Representative Shea, for what purpose do you rise?"

Shea: "I have been informed the the Majority staff in both the Senate and the House that this was the appropriate place to introduce these Bills because they did fit within the purview of the call on the Third... in the Third Special Session." That's why they were introduced at that juncture."

Walsh: "Well, does the Speaker...ah...Speaker, sustain that position?"

Shea: "Mr. Speaker, may I make one comment, with regard to 42 and 43? These are reimbursement claims to the County of Cook in excess of \$1,000,000 that have been allowed and they will go a long way in holding the line on property taxes. I've been informed by President Dunn, so I would hope that we'd have your cooperation."

Speaker Telcser: "The Speaker agrees, Bill, that they're in the purview of."

Walsh: "The next question is, have the Bills been read a first time?"

Speaker Telcser: "Not yet."

Walsh: "Well, if they have not been read a first time then how on earth can we refer something that is not before us, to a Committee?"

Speaker Telcser: "Okay, let's read House Bills, First Reading to satisfy the...the point, which is well taken of Representative Walsh."



Clerk Selcke: "House Bill 42. Shea. Makes an Appropriation to the General Revenue. First Reading of the Bill. House Bill 43. Gibbs. Makes an appropriation to pay certain claims of the Court of Claims. First Reading of the Bill. House Bill 44. Borchers. Appropriates \$41,400. to Frank Hubbard Electric Company. First Reading of the Bill. House Bill 45. House Bill 45. Beaupre et al. Rural Transportation Assistance Act. First Reading of the Bill. House Bill 46. Katz. First Reading of the Bill."

Speaker Telcser: "Now, the Gentleman from Grundy, Representative Washburn now moves that the provisions of Rule... Is there anything else? That the provisions of Rule 18 be suspended so that... Okay? So that the Bills which he read to us, including Representative Borchers and Shea and Katz can be heard in the Appropriations Committee next Tuesday. Leave for the last unanimous Roll Call. Hearing no objections, 116 'ayes', no 'nays'. The provisions of Rule 18 are suspended. What do you have Fred?" Committee Reports."

Clerk Selcke: "Mr. Collins, from Executive to which was referred House Resolution #4, Third Special Session, reported the same back with the recommendation the Resolution be adopted. Anything else in the Third?"

Speaker Telcser: "Representative Holloway, for what purpose do you rise, sir?"

Holloway: "Mr. Speaker, Ladies and Gentlemen of the House, I rise to ask that the appropriate Rules be waived and that House Bill 37 be moved to Second Reading. House Bill 37 was included in Representative Beaupre's motion, made some time ago and there was an objection by Representative Juckett and I understand that Representative Juckett no longer objects and for that purpose I ask leave for the last unanimous Roll



Call."

Speaker Telcser: "The Gentleman moves to suspend the provisions of Rule 31b for the purpose of having House Bill 37 sent to the Order of Second Reading, without reference to a Committee. The Gentleman has asked leave for the last unanimous Roll Call. Hearing no objections, on this question there are 116 'ayes', no 'nays'. The provisions of Rule 31a are suspended and House Bill 37 is on Second Reading, First Legislative Day. Is there any other business to come before the Third Special Session? The Gentleman from Cook, Representative Shea."

Shea: "I heard the motion made by Representative Washburn to waive the provisions of Rule 18 for the hearing before the Appropriations Committee but I didn't hear any vote or an announcement."

Speaker Telcser: "Oh sure. There was the last unanimous Roll Call, on that question was 116 'ayes', no 'nays'. There were no objections to using the last unanimous Roll Call."

Shea: "But that was waived then?"

Speaker Telcser: "It was waived and the results were announced and I'm announcing them again. 116 'ayes', no 'nays'. The provisions of Rule 18 are suspended so the Appropriations Committee can hear those stated Bills. Now, any other business to come before the Third Special Session? None? Okay, the Gentleman from Cook. Bill is this all for the Third now, before we get out? The Gentleman from Cook, Representative William... Representative Jones, for what purpose do you rise sir? Representative Washburn, for what purpose do you rise sir?"

Washburn: "Well thank you, Mr. Speaker, I think perhaps we should go through this list again to suspend the appropriated rules so that the following Bills can be





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heard next Tuesday at 10:00 before the Appropriations Committee in Room 212. All right, I suspect this might be the total list. House Bills 7, 8, 14, 26, 28, 29, 30, 31, 32, 42, 44 and 46 and Senate Bill 20, 21, 22, 23, 24 and 25."

Speaker Telecaster: "The Gentleman asks leave to have... You got the House Bills, First Session on your list?"

Washburn: "This is Third Session, all these are Third Session Bills."

Speaker Telecaster: "What are you giving me to stick with the ah... The Gentleman has asked to suspend the provisions of Rule 18 for the purposes of hearing the Bills, which he just stated, in the Appropriations Committee at 10:00 a.m. tomorrow morning; or Tuesday morning. Are there any objections to the last unanimous Roll Call? Hearing none, on this question there are 116 'ayes', no 'nays'. The provisions of Rule 18 are suspended, objection... For the purposes of hearing those Bills in the Appropriations Committee next Tuesday at 10:00 a.m. Now is there any further business to come before the Third Special Session? The Gentleman from Cook, Representative William Walsh."

Walsh: "Mr. Speaker, I move that the Third Special Session adjourn to the hour of 9:15 tomorrow, November 9, for perfunctory Session."

Speaker Telecaster: "Any discussion? The Gentleman has moved that the Third Special Session do stand adjourned until the hour of 9:15 a.m. tomorrow morning for the purposes of a Perfunctory Session. All those in favor signify by saying 'aye', the opposed 'no'. The Third Special Session stands adjourned until the hour of 9:15 tomorrow morning, Perfunct. The Second. Oh wait a second, we'll go to Regular. Okay

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the Regular Session, will now come to order. Will the members please be in their seats? Now is there anyone who wishes to put a motion with respect to anything in the Regular Session? Representative Collins has a matter and Representatives Ebbesen and Choate have plenty of time with their two matters. Okay, hearing none, the Gentleman from Cook, Representative William Walsh, with respect to the Regular Session. One second, we have some Introductions. Introductions and First Reading of House Bills."

Clerk Selcke: "Introductions. House Bill 2087. Kent et al. Amends an Act creating the Department of Children and Family Services. First Reading of the Bill. House Bill 2088. Shea et al. Amends the Illinois Vehicle Code. First Reading of the Bill. House Bill 2089. Garmisa et al. Authorizes the reimbursement of transportation carriers. First Reading of the Bill. House Bill 2090. Garmisa et al. Appropriates \$1,000,000. First Reading of the Bill. That's it."

Speaker Telcser: "General Resolutions."

Clerk Selcke: "House Resolution 622, J. J. Wolfe."

Speaker Telcser: "Speakers Table."

Clerk Selcke: "No, that's it."

Speaker Telcser: "The Gentleman from Cook, Representative William Walsh."

Walsh: "Mr. Speaker, I move that the Regular Session adjourn to the hour of 9:00 a.m. tomorrow, November the 9th. This is the Session to which we return first for a Regular Session and that's at 1:00 p.m. next Tuesday."

Speaker Telcser: "The Gentleman from Cook, Representative Shea."

Shea: "Yeah, Mr. Ryan was just over and he said Mr. Walsh wanted him to call his Resolution now?"



Speaker Telcser: "The last unanimous Roll Call. Certainly."

Shea: "No, thought there was going to be an objection to it, you know..."

Speaker Telcser: "The Gentleman has moved the Regular Session do stand adjourned until the hour of 9:00 a.m. tomorrow morning, Perfunct. All in favor signify by saying 'aye', the opposed 'no'. The Regular Session does now stand adjourned until the hour of 9:00 a.m. tomorrow morning. First Special Session will now come to order. The Members please be in their seats. The Gentleman from Cook, Representative William Walsh."

Walsh: "Mr. Speaker, I move that the Frist Special Session adjourn to the hour of..."

Speaker Telcser: "I beg your pardon..."

Walsh: "There are some Rule suspensions."

Washburn: "Thank you, Mr. Speaker. I will ask leave to suspend the appropriate Rule again so that the following First Special Session Bills can be heard in the Appropriations Committee next Tuesday morning at 10:00 in Room 212. And they are, First Special Session Bills. House Bill 2, 4, 11, and 15."

Speaker Telcser: "Any objections? Any discussion? The Gentleman has moved that the suspension of the provisions of Rule 18 for the purpose of hearing those Bills, which he just read heard in the Appropriations Committee next Tuesday morning at 10:00 a.m. Any objections to the last unanimous Roll Call? Hearing none, on this question there are 116 'ayes', no 'nays'. The Gentleman's motion prevails. Committee Reports."

Clerk Selcke: "First Special Session, House of Representatives Seventy-eighth General Assembly. Reported the Committee on the Whole which sat from 12:40 p.m., Monday, November 5, 1973 to 12:15 p.m., Tuesday, November 6, the honorable Members and so forth



Respectfully submitted. Ed Bluthardt. Acting
Chairman."

Speaker Telcser: "The Gentleman from Cook, Representative
William Walsh."

Walsh: "Mr. Speaker, I move that the First Special Session
adjourn to the hour of 9:05 a.m. on Friday, November
9, for a Perfunctory Session."

Speaker Telcser: "Is there any discussion? The Gentleman
moves the First Special Session do stand adjourned
to the hour of 9:05 tomorrow morning for Perfunctory
Session. Those in favor 'aye', opposed 'no'.
The First Special Session does now stand adjourned
until the hour of 9:05 tomorrow morning for a
Perfunctory Session. The Second Special Session
will now come to order. The Gentleman from Cook,
Representative William Walsh."

Walsh: "I move that the Second Special Session adjourn
to the hour of 9:10 a.m., tomorrow, November 9, for
a Perfunctory Session."

Speaker Telcser: "Any discussion? The Gentleman has
moved the Second Special Session do stand adjourned
until the hour of 9:10 a.m. tomorrow morning
for a Perfunctory Session. All in favor 'aye',
opposed 'no'. The Second Special Session does now
stand adjourned until the hour of 9:10 a.m. tomorrow
for Perfunctory Session. The Fourth Special Session
will now come to order. The Members please be in
their seats. What you have Fred? The Gentleman
from Cook, Representative William Walsh."

Walsh: "I move that the Fourth Special Session adjourn
until the hour of 9:20 a.m., November 9, for a
Perfunctory Session?"

Speaker Telcser: "Is there any discussion? The Gentleman
has moved the Fourth Special Session do stand
adjourned until the hour of 9:20 a.m. tomorrow morning



for a Perfunctory Session. All in favor 'aye', opposed 'no'. The Fourth Special Session does stand adjourned until the hour of 9:20 a.m. tomorrow morning for Perfunctory Session. Now we're going to go into the Fifth Special Session. The Fifth Special Session will now come to order pursuant to the proclamation which the Clerk will now read. Okay, the Gentleman from Cook, Representative William Walsh asks leave that the Attendance Roll Call for the Fifth Special Session be the same Roll Call as that used for the Regular Session earlier today. Are there any objections? Hearing none, that will be the Attendance Roll Call. Now, the proclamation, "with respect to the Fifth Special Session."

Clerk Selcke: "State of Illinois, Seventy-eighth General Assembly. Springfield, Illinois. Proclamation. Whereas the establishment of the efficient election machinery prior to the 1974 Primary and General Elections in imperative. It requires immediate action of the General Assembly and whereas it is imperative to finance reduced transit fares for school children and senior citizens to which action requires immediate enactment of Legislation by the General Assembly, and whereas it is imperative to reduce the residency requirement for eligibility for appointments. The Chicago Board of Education of which action requires immediate enactment of Legislation of the General Assembly, and whereas it is imperative to enact corrective Legislation immediately to remedy technical errors in drafting of Public 78-238 enacted by the Seventy-eighth General Assembly. Therefore pursuant to Article 4, Section 5 of the Constitution of the State of Illinois, Chapter 63, Section 191, 192 of the Illinois Revised Statutes. We W. Robert Blair, Speaker of the House of Representatives William C. Harris, President of the Senate, do hereby



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declare that a demonstrable emergency exists, which requires immediate action by the General Assembly. We therefore, do hereby call and convene a Special Session of the Seventy-eighth General Assembly of the State of Illinois, to commence on Thursday, November 8, 1973 at 3:00 Central Standard Time for the following purposes. One, enactment of Legislation to authorize County Boards of any County which establishes County Boards of Election Commissioners to levy a tax of not to exceed .04 per cent for election purposes and amends Article 6a of the Election Code to exempt the County Board from limitations of Section 6-70 in fixing compensation of county, of the Chief Clerk and the Assistant Chief Clerk of the County Board of Elections Commissioners. Two. Enactment of Legislation to provide reimbursement for reduced transit fares for school children and the elderly up to one half the regular fare. Three. Enactment of Legislation to amend Section 34-4 of the School Code, to reduce the resident requirements for eligibility for appointments to the Chicago Board of Education. Four, enactment of Legislation to remedy technical errors in the drafting of Public Act 78-238, enacted by the Seventy-eighth General Assembly. Five. Enactment of Legislation to amend the Senior Citizens and Disabled Persons Property Tax Relief Act, November 8, 1973. Springfield, Illinois. W. Robert Blair, Speaker of the House. William C. Harris. President of the Senate."

Speaker Telcser: "Resolutions."

Clerk Selcke: "Fifth Special Session. House Resolution 1.

W. D. Walsh. Resolved that the Clerk inform the Senate that a majority of the Members of the House assembled in pursuit of the proclamation of the Speaker, the House convening the Fifth Special Session of the



General Assembly and are now ready for transaction of business. House Resolution #2. W. D. Walsh. Resolved that the Rules of the House of Representatives of the Seventy-eighth General Assembly as amended, be adopted Rules of the Fifth Special Session so far as the same may be applicable and that the standing Committees of the House of the Seventy-eighth General Assembly and their Membership shall constitute the standing Committees of the House for the Fifth Special Session. House Resolution. Resolved by the Committee of five Members, no more than three from the Majority party be appointed by the Speaker to approve the last day's Journal and all Journals of the Fifth Special Session of the Seventy-eighth General Assembly. House Joint Resolution 1. Fifth Special Session. W. D. Walsh. Resolved that the House of Representatives of the Seventy-eighth General Assembly of the State of Illinois, Fifth Special Session thereof, the Senate concurring herein, that when the House of Representatives adjourns on Thursday, November 8, 1973, it stand adjourned until, Tuesday November 13, 1973 at 4:00 p.m. and when the Senate adjourns on Thursday, November 8, 1973 it stand adjourned until Tuesday, November 13, 1973 p.m."

Speaker Telcser: "The Gentleman from Cook, Representative William Walsh moves for the adoption of the Resolutions. All those in favor of the Gentlemans motion, signify by saying 'aye', the opposed 'no'. The Resolutions are adopted. Introduction and First Reading."

Clerk Selcke: "House Bill 1. Skinner. Fifth Special Session. An Act to authorize the Department of Revenue to pay late claims. First Reading of the Bill. House Bill 2. Fifth Special Session. Choate et al. Creates an Act to



provide reimbursement for reduced transit fares of school children and so forth. First Reading of the Bill. House Bill 3. Terzich. Fifth Special Session. Amends the Chicago Firemens Annuity and Benefit Fund Article of the Pension Code. First Reading of the Bill. House.."

Speaker Telcser: "For what purpose do you rise, sir?"

Skinner: "Mr. Speaker, I rise to move that House Bill 1 be moved without reference. This Bill, at the present time the circuit breaker release has an administrative deadline of November 15 and people are driving up... benefits. This is to for stall something like that. That's all it does."

Speaker Telcser: "Is there any objection? Is there a discussion with the Majority Leader? What did he say?"

Skinner: "I'm sorry, I didn't have time. Representative Walsh just suggested it to me."

Speaker Telcser: "Or Clyde, what do you say, guys? Well, that's why I'm asking to check with you. All right, continue Introduction of Bills."

Clerk Selcke: "House Bill 3. Barnes et al. Amends the School Code. First Reading of the Bill. House Bill 4. Philip et al. Amends Article 6a of the Election Code. First Reading of the Bill. House Bill 5. Fifth Special Session. Philip et al. Amends the Election Code. First Reading of the Bill."

Speaker Telcser: "Wait a minute. Representative Redmond, for what purpose do you rise, sir?"

Redmond: "Mr. Speaker and Ladies and Gentlemen of the House. House Bill 4 and 5 are responsive to the first proposition on the proclamation and I would ask at this time that the appropriate rule be suspended and the matter be advanced to Second Reading without reference. I have cleared it with the Speaker and the Majority Leader and the Minority Leader and also the President Pro tem of the Senate and I would ask that the rule be



suspended."

Speaker Telcer: "Was that 4 and 5; Representative?"

Redmond: "4 and 5."

Speaker Telcer: "The Gentleman has moved that... The Gentleman from Cook, Representative Schlickman."

Schlickman: "Some of us have misplaced our proclamation.

I'm wondering if we could be told what 4 and 5 are about."

Speaker Telcer: "Representative Redmond."

Redmond: "To the last Session of the Regular Session of the General Assembly we authorized certain counties to establish Election Commissions and we did not provide for any funds in order to operate the Commission and when the County Board of DuPage County was going to undertake to establish it, they brought to our attention the fact that there was no funding. This is sponsored by Representative Philip and myself. It meets with the approval of our local County Clerk and I know of no objection. The other one is to let the County Boards fix the compensation of the Chief Clerk."

Speaker Telcer: "Is there further discussion? The Gentleman has moved to suspend the provisions of Rule 31a, for the purposes of having House Bills 4 and 5 in the Fifth Special Session moved to the Order of Second Reading without reference. Are there objections to the last unanimous Roll Call? Hearing none, this on this question there are 116 'aye', no 'nays' and the Gentleman's motion prevails. The Gentleman from McHenry, Representative Skinner moves to suspend the provisions of Rule 31a for the purposes...what's the number, Cal? 1. For the purpose of having House Bill 1 in the First Special Session moved to the Order of Second Reading without reference. All in favor. Are there any objections to the last unanimous



Roll Call? Hearing none, on this question there are 116 'aye', no 'nays' and the Gentlemans motion prevails. First Reading and Introduction of Bills. That's it?

The Gentleman from Cook, Representative William Walsh now moves that the Fifth Special Session do stand adjourned until the hour of 4:00, there's no Perfunct tomorrow, Fred, for this? Till the hour of 4:00 next Tuesday, the Fifth Special Session. All in favor 'aye', the opposed 'no'. The Fifth Special Session does now stand adjourned.



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Secretary. Mr. Speaker, I am directed to inform the House of Representatives, the Senate has adopted the following Senate Resolution to wit; Senate Resolution 3. Resolved by the Senate of the Seventy-eighth General Assembly, the Fourth Special Session of the Senate, the Secretary of the Senate to inform the House that a majority of the Members of the Senate assembled and so forth. Adopted by the Senate, October 30, 1973. Edward E. Fernandes, Secretary."

Speaker Telcser: "The Gentleman from Cook... Resolutions."

Clerk Selcke: "House Joint Resolution 2. Fourth Special Session. W. D. Walsh. Resolved by the House of Representatives, the Seventy-eighth General Assembly of the State of Illinois, the Senate concurring herein, that when the House of Representatives adjourns on Friday, November 9, 1973, it stand adjourned until Tuesday, November 13, 1973 at 3:30 o'clock p.m. and when the Senate adjourns on Thursday, November 8, 1973, it stand adjourned until Tuesday, November 13, 1973 at 11:30 o'clock a.m."

Speaker Telcser: "The Gentleman from Cook, Representative Walsh, offers to move the adoption of the adjournment Resolution. All in favor signify by saying 'aye', the opposed 'no'. The Resolution is adopted. The Gentleman from Cook, Representative Walsh, now moves that the Fourth Special Session do stand in recess until the recessed Session of the Second Special adjourns. All in favor of the Gentleman's motion signify by saying 'aye', the opposed 'no'. The Fourth Special Session does now stand in recess. The Third Special Session will now come to order. The Members please be in their seats. The Gentleman from Cook, Representative Walsh asks that...that the attendance Roll Call from this morning's Regular Session

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serve as the attendance Roll Call for the Third Special Session. Are there any objections? Hearing none, the attendance Roll Call from this morning's Regular Session, will serve as the Attendance Roll Call of the Third Special Session. Resolutions."

Clerk Selcke: "House Joint Resolution 5. Third Special Session W. D. Walsh. Resolved by the House of Representatives of the Seventy-eighth General Assembly of the State of Illinois, the Senate concurring herein, that when the House of Representatives adjourns on Friday, November 9, 1973, it stand adjourned until Tuesday, November 13, 1973 at 2:45 o'clock p.m. and when the Senate adjourns on Thursday, November 8, 1973, it stand adjourned until Tuesday, November 13, 1973 at 12:00 noon."

Speaker Telcser: "The Gentleman from Cook, Representative William Walsh offers to move the adoption of the General Resolution. All in favor signify by saying 'aye', the opposed 'no'. The Resolution is adopted. The Gentleman from Cook, Representative William Walsh, now moves that the Third Special Session do resolve itself into a Committee of the Whole. Is there any...is there any discussion? Hearing none the Third Special Session is now in a Committee of the Whole and the Chairman of the Committee of the Whole will be Representative Clarence Neff."

Neff: "The Committee of the Whole will now come to order and we'll start in today where we left off last... yesterday evening and that will be on the mass transit Bills, which we're still on yet. Speaker Blair will be the first one called and these will be House Bills 15 through 25. That's where we stopped at yesterday. At this time the Chair will recognize Speaker Blair."



10.

Speaker Blair: "First I would like to make this comment, prior to going into my prepared remarks, that is that I think that these particular series of Bills have been wrongly labeled as the 'Blair Bills'. I think it ought to be made clear that substantially this package of Bills was developed as a result of Senate Joint Resolution 25, which mandated the Illinois Transportation Study Commission to hold hearings and to...ah...come up with a permanent financial solution within the six county area in northeastern Illinois. The Commission held those hearings and as Chairman of that Commission, I became the Chief Sponsor of this series of Bills. So, I think if we really referred to the Bills as the Transportation Commission Bills, that that would be a more accurate description. Now, in most respects, House Bills 15 through 25 are similar to House Bills 1958 through 1967, which were before the General Assembly last spring. Now, in these two Bills, in these new Bills, we have incorporated, if you'll give me your attention, I think we can move this thing along a little faster because what we're saying here is sort of important, with regard to these Bills."

Neff: "Pardon me, Mr. Speaker. I wonder if we can get a little bit quieter here on the Floor. There are many Members here sitting here trying to hear. We know it's hard to sit here and hear and if you folks that are holding conversation will hold them down or step back in the halls to hold your conversation it would be much appreciated by all the Members."

Speaker Blair: "What I'm doing is explaining the differences between these Bills and the time that the House devoted to hearing their counterparts last June and I think that that's important to understand. In these new



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Bills we have incorporated the Amendments offered to House Bills 1958 through 1967, which we were, which we felt were improvements and we actually discarded those which we felt were undesirable. Now, in addition to significant modifications to the earlier Legislation were incorporated into this Legislation. I think both of these are important. The first is a requirement of region wide referendum for establishment of the R.T.A. and secondly the R.T.A.'s regulatory powers over Public Transportation, limited to instances where the R.T.A. provides service directly or where the R.T.A. has purchased a service agreement or makes a financial grant to a transportation agency. Basically, this means that the R.T.A. would not...would not regulate taxes and that railroads and other private carriers who do not receive financial assistance from the R.T.A. would remain under the Illinois Commerce Commission regulations. Now, let me review the basic outlines of the Legislation as it now exists and then if you have questions we will be happy to try and answer them. House Bill 15 provides for the establishment of the Regional Transportation Authority or R.T.A. Included in the initial territory of the R.T.A. will be the six counties of Cook, DuPage, Kane, Lake, McHenry and Will. However, referendum approval by a majority of the electors in a six county area at the March, 1974 primary would be required for establishment. At least initially, it is expected the R.T.A. will operate primarily at arms length through purchase of service agreements with other transportation agencies who will perform the operational aspects of providing mass transportation services. Basically, this means that in return for financial assistance, these transportation agencies will submit to

the R.T.A. for regulation in terms of fares, routes, schedules, transfer privileges and so forth. Provision is made in the Legislation, however, for the R.T.A. to provide public transportation services directly in instances where desirable services can not be performed by another transportation agency or in the event that future developments warrant a more direct involvement by the R.T.A. in operations. The R.T.A. will be governed by a nine member board of directors. Eight members of the board to be selected as follows. Four directors are selected by the Mayor of the City of Chicago with the advice and consent of the City Council. Two directors are selected by a majority of those members of the Cook County board from outside the City of Chicago, with the concurrence of at least four such members required; and two directors are selected by a majority of the County Board Chairman, outside Cook County. The ninth board member, who will be the chairman and serve as the general manager of the R.T.A. will be chosen by a three-fourths or six out of the eight votes of the other directors. In addition a two-thirds, six of nine majority vote of the board is required to approve purchase of service agreements and financial grants. Thus, a balance of power, I think this is important, a balance of power is created as far as political control is concerned. Both the suburban area of the region and the City of Chicago have a veto over financial arrangements which unduly penalize one portion of the region, to the advantage of another portion. Now, we expect that the results will be responsible compromise leading to rapid evaporation of the parochial fears and jealousy which have hamstrung public transit in this area for so long. The R..."



Neff: "Mr. Speaker, let's hold up just a second. The noise is terrific in here. It sounds like a bunch of bees out there and not honeybees, I believe they'd be bumblebees in there at the rate of this noise. Now as we're going to stop here for a few minutes and see if we can get some order and you folks...ah... want to stay here, I'll stay as late as any of you and we've got lots of Bills here to hear yet today and we could be here until 8, 9:00 tonight. Everytime we stop why it's going to take us...so at this time now, if we'll quiet down then we'll start in."

Speaker Blair: "Now, the R.T.A. under...under the Commissions proposal will be funded totally from regional sources. Totally from regional sources. That is no money being appropriated from either the State Road Fund or from the State General Revenue Fund. And that local funding will come from a one-half cent sales tax, which in fiscal year 1975 will produce one hundred and seven million dollars. A parking tax for the first year, which will yield approximately ten million dollars and a cash contribution from the City of Chicago, which will yield fifteen million dollars. That's a total of one hundred and thirty-two million dollars. Now, our budget estimate indicates this level of funding is sufficient to devise an eight million dollar surplus in the R.T.A. first year of operation, fiscal year, 1975, provided and this is important, provided that we forego the twenty-five cent off seat bus fares, which have been discussed in the past. Now, originally the Commission in arriving at the need of the carriers in the districts put in twenty-five cents, reduced fares in the off peak hours. But, after discussing that with a number of people, the feeling evolved that why should we, at least initially, when we're talking about using



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tax revenues for our operating subsidy at the same time talk about reducing fares for the people who are using the services of the transit carriers? We felt that initially, to be fiscally conservative in this area, that we should not do that and it's significant because that twenty-five cent fare in the off peak hours costs twenty million dollars a year. So, we have deleted that provision. Now, if Federal funds become available in the near future for mass transit operating subsidies as appears almost certain, this level of funding will permit the R.T.A. to remain solvent, as we calculated and there are some variables here because of the differing amounts of money that are provided for in the Bills that are before the Congress now would permit the R.T.A. to remain solvent, as we see it, at least through the balance of the 170s. Now, if not, if not, it will be possible for the R.T.A. to return to the Assembly and with a vote of confidence of the majority of the voters in the region to increase it's revenue base after it has formulated a plan, which will permit identification of the exact benefits to be received by different parts of the region. Again, that proposal would be one, as I see it, that would not involve any state funds but simply a broadening of the authority for raising revenues of the authority. Now, in addition to the R.T.A., House Bill...House Bill 16 would create a suburban transportation corporation to serve as a single unified spokesman of the suburban perspective. Much as the C.T.A. would present the central city perspective to the R.T.A. board. In instances where appropriate and economic, the Suburban Transportation Corporation would purchase facilities and directly assume the operation of existing suburban bus companies. In



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instances the Suburban Transportation Corporation would serve to coordinate suburban transportation interests and act as a counterweight to the C.T.A. with its relationships to the R.T.A. board. The city...and this is important for all of us that live in the suburban and the outlying county area, I think, the City of Chicago would not be represented on the governing council of the Suburban Transportation Corporation. Actually, that's a 16 member board that is made up of trustees appointed by the trustees of the local mass transit districts and in area... in the geographical areas that are not within a local mass transit district on a population basis they would be appointed by the chairman of the county board of the respective counties. They would actually be handling the distribution of the operating subsidy money to suburban bus companies and to bus companies in the outlying counties as well as to the local mass transit districts and there would be nobody on that board from the City of Chicago. Now, the other Bills in this package merely amend various other existing Acts in this conformity with House Bill 15 and 19. Since the R.T.A. proposal, submitted by the administration and the City of Chicago, and I think this is important, since the R.T.A. proposal submitted by the administration and the City of Chicago also use House Bills 1958 through 1967 as a base, there are many areas of superficial similarities between the Bills. Let me take a moment. What I'm saying is, that the nuts and bolts of the administration Bill and of these Bills are very similar. If you can get into the area of perhaps 85 to 90 per cent of the language being the same. They use the Commission Bills as the base for their Bills. But, I would like to draw, now



your attention to some of the more significant points of difference. First, the Transportation Commission proposal with the addition of the Republican Leadership in the House and Senate thought that we should have this done by referendum, resulted in a referendum for establishment being put into this Legislation. The administration and... and that's Walker and Daley, their proposal does not have any referendum at all. Let me point out that in 22 states in this country where we have transit districts they required a referendum approval with respect to the creation of those districts and/or the operation of them. Now, this is change from what our feeling was earlier, from a legal standpoint, those of you that are lawyers, I think, have probably given some thought to, what about the establishment of the municipal corporations with tax levying powers, but doing it without referendum? Under the old Constitution it clearly would have been unconstitutional, it was actually prohibited. Now, what about under the 1970 Constitution? Well, our lawyers indicated to us that it, at best, as a 50/50 chance that the courts would uphold a proposal such as the establishment of the R.T.A. and the municipal corporation without referendum, but that on balance, since there is an overriding public need being shown that the court would probably end up finding it Constitutional. Well, in order to obviate that, if we have it established by referendum, then clearly we do not have that particular legal problem and I think that's significant because we would accomplish the R.T.A. without referendum and it would then go up to the courts and be found unconstitutional. We'd be right back in here, I assume, putting it through with a referendum requirement. Secondly...ah..., I'm sure



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that you all have been furnished with a copy and if you haven't why I'm sure that they can be made available of a poll that was taken in the last part of September concerning public attitudes towards the Regional Transportation Authority. It was done by Social Research Incorporated and it was prepared for them, it was prepared for the Taxpayers Federation of Illinois, whom we all know and respect, I think. And they had an interest in finding what the public felt about this and it actually breaks out the areas into the outer counties, the suburban areas, the City of Chicago and the conclusions that the general matter that you draw from the poll is that as a total region, better than 80 per cent of the people feel that their area ought to be in a Regional Transportation Authority. Now there is one additional factor, I think that's important to take into consideration with regards to that. It was clearly evident that along with that feeling that they did not want to support an R.T.A. with any tax increase and that the overwhelming method that the people in the area felt should be used, was the lottery. And then falling substantially behind that but none the less, substantially ahead of any other major taxation was the half cent sales tax wash out and that is exactly the way the question was put and the general conclusion that was drawn by the polling people from the Taxpayers Federation was to say that the overwhelming number of people that were polled indicated that they wanted their area to be in an R.T.A. but they did not want to have tax increase to provide for the funding of the R.T.A. It was for that reason that, the first reason I gave from a legal standpoint and secondly our confidence that on the basis of this poll that the people in the six

county area would vote favorable for the establishment of the R.T.A. on the primary date that we have included in our proposal a regionwide referendum. And let me say too, there are other proposals certainly and there are ones that are being sincerely advanced about local option, if you will, opt in or opt out and I understand that it's politically popular back home to support that kind of position. As a matter of fact, I suppose, if I were to be motivated entirely by my own particular district situation that I would say 'Yes, that certainly is the way to proceed.' But, from the standpoint of this being a region or not a region, it seems to me that the question of referendum ought to be that we vote for it, up or down as a region, as a region because there's no way you can have part of a region. There's no way you can subsidize the Rock Island Railroad from the Cook County Line, into the City of Chicago and not subsidize it from the Cook County Line, into the City of Joliet. And the same is true with regard to the Burlington and the Northwestern, you can't part subsidize parts of a ride. You have to have it as a ... as a total region and for those of us who live in the suburban area and the outlying counties, if our people don't want to be an R.T.A., if they do not want an R.T.A., they have the political capability of defeating the R.T.A., because on the tier population basis there are 3,000...300,000 more people outside the City of Chicago, within the six county region, than there are in the City of Chicago. Now the Republican proposal would require transportation agencies, such as the C.T.A., to submit to regulatory control as a condition of receiving financial grants. Now, watch this one, especially those of you that are from the suburban area and the



outlying five counties. The Walker-Daley proposal permits transportation agencies to receive financial grants without... without R.T.A. regulation of fares, routes, schedules and transfers. If this provision were to become law, we will quite likely see an effort on the part of the City of Chicago to continue business as usual with respect to the C.T.A. by holding key suburban projects captive. In other words, the language, which I am confident was drafted or grafted on to the commission proposal, grafted on, I assume, by the Corporation Council's Office of the City of Chicago, would enable the R.T.A. to simply funnel money right to the C.T.A. without any regulatory power at all, as far as regulation of fares or routes or schedules. In other words, a pure operating subsidy situation, which is not what we were, are attempting to do as far as the establishment of the region authority is concerned. Now thirdly, in the Republican proposal, there is provisions for financial grants but it couples with it the regulatory power by the R.T.A. and in order to build in efficiencies and to streamline services and so forth, you have to have that regulatory control. Our proposal provides for the creation of the Suburban Transportation Corporation, the Walker-Daley proposal does not and I think that's an obvious effort to apply the old principal of survive and conquer. Milton Pikarsky, if you ask him will tell you that he is in opposition to the establishment of a Suburban Transportation Corporation. And I understand Milton's position because what he would like to see happen is the Chicago Transit Authority move out into the Cook County suburban area and actually take over the operations of the bus companies and so forth in the suburban Cook County. And he does not want another



agency created that would stand in the way of his accomplishment of that. Now, from his standpoint, I understand his feelings from the people in the suburban county, the suburban area and the outlying counties. I would certainly think that our proposal for the establishment of the Suburban Transportation Corporation would be far more satisfactory, especially since the Board of that Suburban Transportation Corporation would have no one on it from the City of Chicago. Our proposal preempts home rule powers of existing local units of government, the Walker-Daley proposal does not. The result of that approach, the Walker-Daley approach, quite likely would be a complete vulcanization of transportation services rather than a regionalization. Milton Pikarsky, yesterday said that he did not want to have the situation where home rule units, the City of Chicago and the twenty or more home rule units that are in the region being able to interfere with the operation of an R.T.A. And for that reason, I would assume that he would be in support of that part of our proposal which preempts home rule powers of local units of government. That's the only way, as we see it, that this can be a regional plan. Home rule units should not have the capability of interfering with the operation of a Regional Transportation Authority. Now, our proposal offers an adequate funding for the R.T.A. while still adhering to the principals of no tax increase and regional responsibility for transit subsidy. There was not a great deal of talk, as I recall, yesterday about the number of dollars that we're looking at... the number of dollars. What I suggest to you is, though, that a fair comparison would be zero as far as subsidy now and what this proposal is, is one hundred and thirty-two million dollars. In other words, going from zero



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subsidy to one hundred and thirty-two million dollars. That's a great deal of money. Actually the Democratic funding proposal provides less guarantee for funding, a hundred and five million, would require a tax increase which is bias against the suburbs where motor vehicle ownership is higher and would have disastrous downstate side effects in terms of the state road program. Now, I think there are some other witnesses here as proponents and perhaps we should follow the same procedure that we did yesterday. We could hear from them then we'd be... they will stay here and we would then be open for any questions."

Neff: "Thank you, Mr. Speaker. We will try the same format as we had yesterday. We'll ask all the witnesses to come up and testify, we'll ask them to stay until we're through and then we'll open up the questions and you folks that have questions may direct it, if you so desire to the particular witness. The first witness that I'm going to ask come up was here all day yesterday and did not get to testify and...ah... Representative Choate."

Choate: "Well Mr. Chairman, in as much as we're talking about public transportation I would like to, as you might call it, on a point of personal privilege, observe one thing that I think is cute. The St. Louis Post Dispatch, as of Thursday, November 8, has a front page headline that says, 'Inquiry on use of public funds to pay for Choate's private car.' Well, in as much as we're talking about public transportation, we're talking about public funds, I don't want anyone in this House to be misled like I'm sure that many people of the public will be misled that just happens to read headlines because if you read on down it says, 'A complex transaction in which Donald G. Choate Sr.,



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an elected trustee of the Village of Mary Ridge. Now, wherever in the devil Mary Ridge is, I don't know and who Donald G. Choate is, Sr., I don't know. But I want the St. Louis Post Dispatch to know that I really appreciate this headline."

Neff: "Thank you, Clyde, and if we can gather any information up on that where Mary Ridge is, why we'll be with you on it."

Choate: "I wish you would, Mr. Chairman. Find out if they've got public transportation."

Neff: "Speaker Blair."

Speaker Blair: "Yes, there is one error that I made and I'm sorry about it. That is, Mr. Garmisa, the Gentleman from Cook, said that he wished that I would stop referring to the Bills that he is the Sponsor of as the Walker-Daley Bills. They are the Garmisa Bills. So, I'll change that and so we're talking about the Garmisa Bills."

Neff: "The first witness I'm going to ask to come up is Hiram Holder. Hiram is executive director of the Illinois Petroleum Council and he's speaking as a proponent on House Bills 15 through 25. We're covering these Bills as a package."

Holder: "Thank you Mr. Chairman. I'm going to forego a formal statement to the Committee this morning. You've listened to an awful lot of testimony and I don't want to be repetitious. Instead of a formal statement, I'd like to just very quickly make three fast points. Our councils position on this whole transit situation favors Speaker Blair's Bills for the simple reason that rather than lean on the motorist for a great big bulk of the funding for these transit subsidy plans, he has a broad base plan of funding. We feel that this is essential. I'd like to point out also that within

the last three years, I believe it is, there are eight cities, nine including Chicago who have had similar transit problems as Chicago and the metropolitan area have had and they have gone to the route of a referendum. They have bitten the bullet and they have passed taxes on themselves to solve their transit problems. These were Real Estate taxes and I am not advocating a Real Estate tax as a fund... a funding source but it is a...it is a fact that Peoria, Springfield, Quad-cities, many others have gone this route to a broad base tax. I would like to make a final point and I think this is very, very essential to your decision making problems that you're facing right now. In my, in our judgement I think that the Taxpayers Federation study of what the people would like to have in the Chicago-land area in the way of a funding situation is one of the most important documents that I've seen in the last fifteen years having to do with transit funds and transit fund sources. It is impartial, it is utterly scientific, it is not the guess of an editorial writer from a newspaper or a television station. It is a...it is a thorough analysis of what the people in that region prefer; and Mr. Chairman, that concludes my remarks, I hope they've been short enough."

Neff: "Thank you, Hirad. If you'll stay around, there may be some questions that they want to direct at you; and the next witness I'm going to call is Preston Peeden. Preston is the Director of the Governmental Affairs, the Chicago Association of Commerce Industry and he's appearing today also on House Bill 15 as a proponent. Is Preston here? The Mayor of Evanston is also signing a witness as a proponent on House Bill 15, Edgan Banneman. Is the



Mayor here? These folks were all here yesterday and did sign these slips and...ah...I did want the records to show that they are hearing...appearing asked to appear as proponents, even though some of them evidently aren't here today. Yes, Mr. Hill."

Hill: "Mr. Chairman, I'd like to find out if you found the Mayor of Aurora?"

Neff: "Well, I'm going to...I'm going to call him pretty soon."

Hill: "Well, I certainly... If he isn't here, I'm going to object that you, if you try to include him as testifying for this Bill. If he's here I would appreciate if he would testify because there are some questions I would like to ask him."

Neff: "We certainly will call him and if he isn't here why, you'll have that right."

Hill: "Thank you."

Neff: "Mr. Peeden is on his way but, to fill in here, I'm going to ask Eleanor Wolf, Chairman of the Greater Lake County Mass Transit Districts, Eleanor is appearing here this morning as a proponent on House Bill 15."

Eleanor Wolf: "Once more, Ladies and Gentlemen, I'll say 'good morning'. You heard my words yesterday. I want you to keep them in mind, the only thing we're hoping and praying for, we do need aid on transportation in Lake County. Please try to get a compromise Bill. Don't let us down. I know people say they don't want it, but I'm not worried so much about status quo, I'm thinking of five years from now. So, please Ladies and Gentlemen, give us serious thought. The President brought out a fact this morning on the energy crisis, let's keep that in mind. Thank you so much for listening."

Neff: "Thank you, Eleanor, and they may have some questions for you if you'll be around after a bit. Is Mayor,

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Albert McCoy here? The Mayor of Aurora? I would like the record to show that the Mayor was not here to be questioned yesterday, even though he did make a statement." ...Showed up now, Preston Peeden, the Director of Government Affairs, the Chicago Association of Commerce, that is appearing as a proponent on House Bill 15."

Peeden: "Mr. Chairman, inasmuch as my statement was circularized to the Membership yesterday, I won't take the time now to read it, except to reiterate the testimony in support of House Bill 12 is equally applicable to House Bill 15. I would like to suggest a system of financing contained in this statement if you'd bear with me for one minute or two. It's suggested as a matter of compromise in financing the R.T.A. proposal that it be funded for operating expenses as follows. 1) The receipts from the fare box. 2) The authority for the R.T.A. to impose a regional one-half per cent retailers occupation tax. The one-half per cent service occupation tax, which is a financing provided for in the Speaker's Bill. 3) That authority be granted from the R.T.A. to impose auto related taxes in a sufficient amount to be determined by the Legislature to adequately finance the operation of the R.T.A., provided that any such tax shall be limited in amount by stated percentage of some state fund. We urge your favorable consideration of this proposal as submitted and urge that you enact now, an R.T.A. for the six county metropolitan area. Thank you."

Neff: "Thank you Pres'. I don't believe that Mr. Terten is here...ah...representing the Community Railroads, is Mr. Terten here? Mr. Terten has signed a statement here that...that he is a proponent on House Bill 15, with Amendments. Also, I...Mr. John Robinson, the



Commuter Railroads of Chicago, I understand is not here this morning and he did sign a witness slip as a proponent on House Bill 15 and there is another party here that will answer questions on anything pertaining to the Commuter Railroads of Chicago. Mr. Mahoney also has signed a witness slip as a proponent on House Bill 15. He testified yesterday and he...ah...also did want to testify on House Bill 15. He's council for the Railroad Labor Organization. It is my understanding that he will not be able to be with us this morning.

Mr. Dan Baldino. Is Mr. Dan Baldino here? Mr.... Is representing the Civic Federation. He is testifying as a proponent on House Bill 15."

Baldino: "Mr. Chairman and Members of the House. I am Dan Baldino, Director of Public Affairs for the Civic Federation of Chicago. I'm here to express our support for House Bill 15, in the Third Special Session. Earlier this year the Federation supported emergency operating subsidies for the C.T.A. We did so on the assumption that it was not only vitally needed at that time but that we'd get an R.T.A. proposal during the Spring Session. That has not been the case. We also thought that it was... time was needed to develop a program. More than eight months have now elapsed and the long term answers have not been found. We at the Civic Federation concentrate on taxes in fiscal matters but I'd like to make a few general observations before getting into that. First, we do not believe that continued operating subsidies of an emergency nature are the answers to solving the problems of mass transit in the Chicago metropolitan area. If we have another emergency operating subsidy, we're only going to delay establishment of an authority and

postpone the inevitable compromise. Second, we do not believe that a referendum is essential to creation of the authority. However, we do believe that as long as the R.T.A. members are appointed all taxing powers granted the authority should be within carefully prescribed limits. In at least one proposal before us, the authority is given a rather broad delegation of power to impose auto related taxes, except for elected homerule units. No other governmental body in the State of Illinois, which is appointed, has taxing powers unless they can be increased through referendum or by Legislative action. We think this should continue. Turning to the question of taxation and financing because that's one of the real problems here, essentially there are only three things that you can tax. You can tax income, you can tax property and you can tax transactions. No serious consideration has been given to an income tax for the obvious reason that it would be political dynamite, although much can be said for the benefits for such an approach. The tax can be made equitable, it can be easily administered, it has considerable revenue generating potential in the six county area. A personal income tax of one-half of one per cent would raise one hundred and forty-five million dollars and a one per cent tax, two hundred and ninety million dollars in the regions. Furthermore, there's a six to eight per cent gross potential built into the tax. Unless it's approved by the people, however, I think an income tax or any thought of it is academic. The property tax is a stable revenue producer. It generates more than three billion dollars in the State of Illinois but likewise it is politically unpalatable and probably economically unpalatable as well. It is



not a gross tax, that is generally recognized as the property taxpayers already overburdened and an extremely high regional rate would have to be levied in order to generate sufficient revenue. For a major source of revenue then, it seems to us a sales tax is an obvious candidate. It is the major revenue producer, it is second only to the income tax at the state level, it is a gross tax with a rate, an average annual rate increase of six to eight per cent and it is easily administered and collected on a piggy-back system. While it has some political liabilities, these are not nearly as pronounced as those associated with the income tax. More importantly in the context of an overall funding program, for R.T.A., it generates a significant amount of revenue. Approximately one hundred million dollars during fiscal 1975 and at the same time it's tied into the other major issue in these deliberations which is tax relief. Our position on these two related matters is this. We find acceptable a plan which grants statewide sales tax relief of one half cent and reimposes the one half cent tax in the six county region. Although residents of the six counties would not release...receive tax relief under such a plan, they would receive benefits. Improved transportation and there would be some improved transportation aspired toward increased economic activity. The one drawback to the sales tax plan is the loss of a hundred and seventy million dollars to the state. The differential between the sales tax reduction plan sponsored by Speaker Blair and that sponsored by the Governor, is seventy million dollars. However, in order to accomplish tax relief and finance an R.T.A. without a sales tax the Governor's program suggests funding proposals which



in the long run and perhaps in the short run as well can be more costly to taxpayers while at the same time failing to provide at least one major revenue source for the R.T.A. I refer here to a constant grant of sixty million from the States General Revenue Fund, the use of a portion of Motor Vehicle License fees and the subsequent sale of bonds to replenish state road funds. The bonding program comes extremely close to borrowing for current expenses. It is a practice which we believe to be fiscally unsound. What we can be safe with under this plan is an illusory tax break for statewide we have already had a six hundred million dollar highway bond issue and if this four hundred and fifty million dollar is approved, three or four years down the road, we will be unable to meet the set service requirement. Given a loss of revenue from vehicle licenses. I'd also like to say that we do support the concept of the state lottery, while it's a modest revenue producer it should generate in the neighborhood of eighty to ninety million dollars annually. We think a portion...a portion of the lottery proceeds can be legitimately used for tax for this program. Thank you."

Neff: "Thank you Mr. Baldino. Now, is there any other proponents or opponents that haven't signed slips, that want to testify on these Bills? If not, then we're going to open it up for questioning at this time. Speaker Blair recognized."

Speaker Blair: "There is one additional piece of information which I've failed to mention. That is, looking at downstate cities that have mass transit districts...ah... they have provided their funding by referendum. Springfield, Peoria, Elgin, Rock Island, Moline, East Moline, Champaign-Urbana and then even in the City



of Chicago when they passed, I think it was six hundred million dollars for the subway improvement. That was done by a referendum in the City. In all of these cases, as I understand it, the referendum passed without difficulty. So, I just wanted to... I'll be happy to answer any questions."

Neff: "Representative Deuster, do you have some questions?"

Deuster: "Mr. Chairman, Mr. Speaker, Ladies and Gentlemen of the House. First, I want to congratulate the Speaker for the modification in his proposal which provides for a referendum. I think this provision in itself is probably one key provision that will help us get off dead center and I'm confident that in the region the system will be established and that it enjoys the popular support of the people. I do want to commend you, Mr. Speaker, for that modification in your proposal. I would like to ask one question. On page 22 of the proposal, House Bill 15, there's the provision for the establishment of the board and in Section C it indicates that for the five surrounding counties, two directors will be appointed by the Chairman of these County Boards by a majority vote of the County Chairman there and I wondered whether this is possible, Mr. Speaker. Would it be possible for the County Board Chairman of McHenry, DuPage and Kane to get together and appoint the two and they'd leave your county, Will and my county, Lake, out in the cold on this? Is that possible under either Bill?"

Speaker Blair: "Well, it's possible that there...ah... that the two from the outlying counties could either come from one county or the most two counties. So there...to answer you question there would be if that did...three counties that would end up not



having a person that resided in their area, if you will."

Deuster: "Mr. Speaker...ah...I appreciate that the board has been delicately balanced and that the Governor's Bill and your Bill both have this balance which reflects one man, one vote and I don't think any of us in the surrounding counties would want more vote than we're entitled to. Next week I will offer an Amendment to your Bill and I would like to ask your response to it and that is simply to say that we still give these surrounding counties just two votes. But we would give them five board members, each of whom would have what you call a weighted vote of two-fifths. Now, I'm wondering whether there's anything wrong with that. That would give us the psychological satisfaction of, I could go to my people in Lake County and you could go to your people in Will and the fellows from McHenry could go back there in Kane and DuPage and we'd say, at least we're going to have one person on the board. He can participate, he can listen, he can engage in the policy discussion but when they get to a Roll Call he just casts a two-fifths vote. Is there anything wrong with that or have you..."

Speaker Blair: "I certainly understand the thrust of your motivation and I think that Representative Katz had a similar type feeling back in May and June, when we accepted his advisory council concept which was to broaden citizen participation and to get those areas involved in that and I think that has a little flavor of it. The council has advised us that there are some very serious constitutional questions with regards to a weighted vote proposal such as you are suggesting."



Deuster: "Well, could I inquire what those constitutional objections are or could we take that up next week if you're not?."

Speaker Blair: "No...It doesn't make no difference. Whatever the membership desires, Mr. Deuster."

Deuster: "What's in the Constitution that says Lake County can't have a voice on the board even if the fellow casts a two-fifths vote? Why would that be unconstitutional? I can't see it."

Speaker Blair: "All right, well I...I'm not the council for the Commission, for the Transportation Commission is here and he can answer that question if...if you want to pursue that. I guess that..."

Deuster: "Mr. Speaker, out of respect for the Membership I don't care to pursue it if no one is really prepared at this moment to respond. We can take it up next week. There will be an Amendment offered."

Speaker Blair: "Well, why don't we do this in order to save time. Why don't...Dick will be here and after you get through with your questioning you all could visit about the legal questions that he sees on...in that area."

Deuster: "Fine. Now, the second and last question is simply this. I was pleased and encouraged to note the Garmisa Bill...the Garmisa Bill does have a provision that guarantees that two-thirds of the money raised in an area would be spent in a way that would benefit that area and we feel that this would be a fair guarantee of that everyone will get substantially his moneys worth out of R.T.A. and not just the assurance that as Mr. Pikarsky says, 'Oh, don't worry about it, the suburbs are going to benefit.' Well we've got to have it somewhere in the law so we can point to it and I was wondering if there was any...any reason why your Bill couldn't be modified



in that way too to give us that guarantee that a substantial portion of the money raised in Will or Lake or DuPage would be expended there."

Speaker Blair: "Yeah. Well, it had been our feeling all along that the question of the distribution of the operating subsidy within the region. There was a matter that, as far as local interests were concerned, that would be protected by the provision of...ah...6 out of 9 of the members of the board, have to yearly approve the budget and the budget would include the distribution of the subsidy. Now, as we see it there's no way, for example, that the Mayor of Chicago, even though he would control four votes, would be able to get the additional 2 votes from the suburban area or from the outlying counties without the...those two areas extracting back from the mayor's four people an equitable distribution of the operating subsidy. Now, my...my...my second comment with regard to the two-thirds, is simply this. That if that type of proposal is fair and equitable for the five outlying counties. because on an individual county basis, they should have a percentage of revenues raised. Then I would trust that you would agree with me that no less fairly should that part of Cook County, outside of Chicago be treated because I certainly think that the Cook County suburban area, is as...identified an area as your County of Lake, and my County of Will and DuPage and McHenry and Kane. That if you are going to want to have the two-thirds provision that and if that would be the will of this Membership then by any measure of equity, by any measurement of fairness, you should be willing to modify the agreement further to provide that two-thirds, if that's the figure of the money raised from the suburban area of



Cook County, that part outside the City of Chicago would be spent in that area. Now, yesterday that question was put by the Gentleman from Cook, Mr. Totten, to Milton Pikarsky and he agreed with that although when I talked with him later he said he really didn't intend to. So, at some point you might want to pursue that with Mr. Pikarsky."

Deuster: "Well, Mr. Speaker, I'd like to say this. I'm delighted because obviously you've been reading my Bill. The Members from suburban Cook County, I'd like to direct your attention to House Bill 4 which has precisely that guarantee in it. Not only that but I think we should treat Chicago the same way and you'll find in House Bill 4, the proposal that two-thirds of the revenue raised in Chicago should be expended there, we don't want to siphon off their money out to the suburbs. Two-thirds of the money raised in suburban Cook should be spent there and two-thirds in each of the surrounding counties. It is in House Bill 4 and I'm delighted that you have recognized the equities that would require an extension of their basic principal to all the people in the area. I thank you."

Speaker Blair: "I've...I've accepted. I have not accepted. I understand and all I'm suggesting is that if you have the two-thirds provision that it should apply equally well to that part of the region that is in suburban Cook County. I do feel, however that you run into substantial operating questions with regard to this authority by tying the hands of it as to where the Revenue should be spent. I think you are creating substantial problems in connection with the issuance of bonds as to where the proceeds from the bonds are spent. I think that with regards to...ah...monies from this area...this



area...this area drawing back that you're reverting rather than that you are backing away from a regional concept. That you are bulkanizing the situation and just causing, not politically now, but strictly objectively, as I see it...ah...that would not be the preferable way to go. However, if the Membership should decide to go that way, then I certainly would say that the Cook County suburban area ought to have the same protection which you've indicated in your Bill."

Deuster: "Thank you, Mr. Speaker. I appreciate your response."

Neff: "Representative Schlickman."

Schlickman: "Thank you, Mr. Chairman. Mr. Speaker, I have a few questions with regard to House Bill 15 and I'm sure you appreciate that they are sympathetic to the question of a regional transportation system and that they are intended to alert us in lightening responses. I first direct your attention to Section 105, which is the section dealing with a referendum. Section 105, as I recall it, provides that the proper vision to be presented to the voters of the region shall be substantially as follows; Quote. 'Shall a regional transportation authority be created for Cook, DuPage, Kane, Lake, McHenry and Will County?' End of quote. Now we have four different R.T.A. propositions before the Legislature at this time and they vary in substantial degree or matter. With that simple proposition as regional transportation authority, how can we be assured that the voters will be fully informed as to what is meant or is involved as to R.T.A?'"

Speaker Blair: "You quite obviously can't publish and distribute to everyone who would be voting...ah... the entire statute, the entire Bill content and I think



that the Election Code provides that when you submit proposals for referendum, that you can proceed in this fashion. I think there's a...you have to file the entire matter that is being acted upon someplace for public scrutiny and council advised us that this would satisfy any composition or statutory requirement as far as...ah...the adoption or the passage into law, then, of the...of the R.T.A. package. Be it this one or some other one."

Schlickman: "Would it not be feasible to treat this proposition in the same way that we treat Constitutional Amendments and provide that an objective description of the R.T.A. be reduced to writing and distributed to every registered voter in the state...in the region? This is required as a Constitutional Amendment."

Speaker Blair: "Yeah...I...That part of the proposal to which you refer says except as otherwise provided in the Act and the provisions of the Election Code as amended, shall apply at such referendum elections and to the extent that...that under Constitutional Amendments you would have the distribution that you refer to that certainly would not be objectionable or..."

Schlickman: "Okay. One more question with regard to Section 105. As I read the Bill, you would schedule this referendum in the March primary of 1974. Now, a primary is a political, partisan matter. People vote either as Republicans or as Democrats. In the March 1973 referendum, excuse me, March 1973 primary, only 37 per cent of the registered voters of this state voted. In the March, 1970 primary only 30 per cent of the registered voters of this state voted. It seems to me that by scheduling this referendum, which isn't a Republican matter, it isn't a Democrat matter. It's a people matter that we



effectively will be disenfranchising approximately 65 per cent of the registered voters in this state, who for one reason or another do not desire to identify themselves as Republicans or Democrats, consider themselves as Independents. And it would seem to me that by this referendum on it's primary election, we are not only disenfranchising well over one half of the registered voters of this state, we are injecting what I would hope we could remove is partisanship relative to R.T.A."

Speaker Blair: "Yes, well this is structured as a special election to be held concurrent with the primary election and of course there would be no requirement of disclosure of party affiliation in connection with receiving the ballot on this particular issue. Secondly...ah...our motivation here was a matter of dollars. The cost of a special election and the machinery is already set up at a primary election and it was our feeling that if there were to be a referendum we would save the taxpayers the money of a special election."

Schlickman: "Directing your attention to Section 207. The..."

Speaker Blair: "The lay question too...it was the closest time wise that we could see that we could get into the situation and...ah...as a matter of fact, the last time that Governor Walker and the Mayor and the Legislative leaders sat down to discuss it, the Governor himself proposed a regionwide referendum on the subject to be held on the primary date. So, the thought really is not unique in this proposal."

Schlickman: "Directing your attention to Section 207. Extracurricular authority. How far into either Wisconsin or Indiana could the R.T.A. go in the provision of service at the expense of the taxpayers in the region?"



Speaker Blair: "Well...ah... It obviously is not limited but it has to relate to service between Illinois and on the one hand, Indiana and service between Illinois and on the other hand, Wisconsin and that... Oh, and it has to take into account the financial contributions with regard to such service made or to be made from public funds in such areas served outside the metropolitan region."

Schlickman: "Directing your attention to Section 403.. There is a sentence in that section and I call it to not only your attention but to the attention of the Membership generally. There is this sentence and I read it as follows. 'All taxes authorized by this Section may be imposed in addition to any other taxes of whatever kind.' Now, I ask you, Mr. Speaker, couldn't this include a regional income tax?"

Speaker Blair: "The only way the municipal corporation that's involved here can do anything with regard to levying taxes with regard to the authority given to it by this Assembly and the only authority in this Legislation for the R.T.A. to levy is up to one-half cent sales tax. There is no other authority at all. So the answer to your question is 'no'."

Schlickman: "Well, I'll persue that. What is meant by the word 'In addition to any other taxes of whatever kind.'? And it doesn't say whatever any other taxes or whatever kind prescribed or authorized, It ends with a period, which is open ended."

Speaker Blair: "No, what the reference is to is that the taxing authority that's given to the R.T.A. Board is authority for taxation in that particular area that is, in addition to whatever other taxes may be levied by duly authorized authority. Such as the state, such as local governments. It has nothing to do with the tax levying powers of the



authority itself."

Schlickman: "Section 4.02...Section 4.03 in it's entirety, as I recall, relates to the tax levying authority of R.T.A. Would you have... would you have any objection to the elimination of the word, 'In addition to any other taxes of whatever kind:?'"

Speaker Blair: "Yeah...I'm sure it's a legal matter that the intent is as I've indicated to you...ah...this language is in every other taxing statute that we have on the books, I'm advised by council...ah...and it, just to make absolutely clear that there isn't any repealer going on of taxes that have been authorized by this Assembly for any other taxing body that the power to levy up to one-half cent sales tax, which is the only power that's given the board here is, in addition to whatever taxes may be imposed by anybody else in that particular area. Such as any other state taxes or any other local taxes." And I..."

Schlickman: "The authority...strike that. Transportation is a vital function but it's one of a number of functions in the region and R.T.A. will be one of a number of units of local government within a region. R.T.A. will have the authority under Section 206 to regulate street usage. It will have, under Section 2.13 eminent domain authority. Under Section 502 there is a provision to H.B. 15 is an expressed limitation on Home Rule powers. There's also a requirement in the Bill that R.T.A. developed an affirmative action program and that this affirmative action program is to be submitted to the State Fair Employment Practice Commission for approval. Now, in 1957 the Legislature created as the regional planning authority a Northeastern Illinois Planning Commission for the purpose of developing a sound and



comprehensive general plan for the six-county area to guide and coordinate the development of an adequate water supply, distribution system, storing up water and sewage disposal, integrated air, water rail and transportation system, the orderly arrangements of land. Why are the actions of R.T.A., eminent domain, the acquisition of land from either other units of local government without their permission, the acquisition of land from private interests, the matter of budgeting and planning. Why are these actions, which can be critical to the region like affirmative action programs, be subjected to the statutorily created regional planner to review and comment? So that we have proper interrelationship within the region and we don't have R.T.A. becoming the dominant force in effect within the region?"

Speaker Blair: "Well I'm delighted, actually, that you brought up the last part of that, the affirmative action program and I would like to call the attention of our good friend, the Gentleman from Cook, Mr. Davis, that the Garmisa Bill did not have any affirmative action program in them."

Schlickman: "It wasn't intended as the leading question, Mr. Speaker."

Speaker Blair: "You weren't setting... Well, Deacon, did you.. did you get that? Deacon? Well I wanted to call the attention to Mr. Davis, that the Garmisa Bills do not have any affirmative action program in them and that the proposal that we have under discussion now, does have an affirmative action program so I would suggest that you talk with Mr. Garmisa, to see if you can get the affirmative action program into his package. Now, with regard to the other question. Under section 212, we provide for coordination with planning agencies. That means that the R.T.A. would



coordinate it's planning with NIPC, among others but that we would not be subject to their control. and...ah...frankly what was thought here was that we should not have a situation where local units would be able to create an obstruction situation with regard to the operations of transit. I'm quite sure it's a practical matter that men have reasoned on the one hand, city council members, on the other hand the Board of the R.T.A., would be able to work out mutual accommodations with regards to the particular street routes and so forth...ah...over which the transit operations would be conducted so that that would...would not be a burden on...on local. Frankly, I think that what your question goes even deeper toward, Gene, is the fact that we...we need to have one central comprehensive planning agency for that area. I don't think that NIPC fits that description and I am as concerned as you about what our future federal grant situation is going to be in that area because we don't have a single comprehensive planning agency for land use and highways and transit and airports and so forth."

Schlickman: "That opens up a whole area for discussion as to why we don't and it's because the dominance in transportation within the region, but I won't go any further. Mr. Speaker, there is no provision in your Bill relative to the funding of the Regional Transportation Authority for levying a motor fuel tax. Now, I had read former Governor Ogilvie's task force on transportation report thoroughly and some of the people participated in that report assisted you last spring in the development of your program. And I recall in the discussion on funding within former Governor Ogilvie's task force report that there



were no opting for one method of funding or the other but that in the discussion of the gas tax there was a strong suggestion that it was the most appropriate method of funding a regional transportation system. And since that report, the City of Evanston, which has critical need relative to public transportation, levied a one cent gas tax by home rule authority and I've been advised by the Mayor of Evanston that the reaction in his community of levying a one-cent gas tax for public transportation has been favorably responded to to such an extent that he now wishes that the city had gone to five cents. Finally, on the subject of motor fuel tax levying authority, all of the surveys which I've been exposed to indicate that the people within the region, the taxpayers, find more favorable, they are more favorably disposed to the use of gas tax for the funding of public transportation than they are sales tax. And I'm wondering why your Bill, and it completely eliminates any authority with regard to levying of a gas tax unless it would be under that authority that you and I had discussed earlier in addition to any other taxes of whatever kind."

Speaker Blair: "No, it's not there. Let me say this. First place, the same people that were involved with the Governor's task force that included in their reports in January or February of this year the evaluation of the utilization of motor fuel tax to subsidize taxes, were the same people who advised Governor Ogilvie, as I recall back in 1969 or 1970 that in order to help the C.T.A. that we should have a Special Session for a one-half cent motor fuel tax increase for transit and if you'll recall, 'cause you were here then..."

Schlickman: "You and I've been together since 1965, Mr. Speaker"



Speaker Blair: "A Special Session was called and that went down, that idea went down the tube. So, there...there is at least a consistency between the people that were involved with the task force report and with the people that recommended to Governor Ogilvie that he call that Special Session to use the one-half cent motor fuel tax for it. Now, I take it from your comments concerning polls that you have not had an opportunity to...to study closely the Taxpayers Federation of Illinois poll that was taken the end of September..."

Schlickman: "Well I do have, Mr. Speaker, to discuss what Mr. Baldino, after you're finished too. On other matters."

Speaker Blair: "Yeah, well...he's. Is Dan with the taxpayers or Civic Federation?"

Schlickman: "I'm sorry, you're correct."

Speaker Blair: "Yeah. I just...just, we had, on this poll and I think these speak...these percentage figures are interesting because this is a very scientific sampling. The categories that they had were very good idea, fair idea, not so good idea, very bad idea. Now, those are the categories and...and they broke the areas out in Chicago and then Cook County, DuPage, Lake and then Kane, Will and McHenry. In Kane, Will and McHenry 57.8% thought that adding to the sales tax on gasoline, about two cents a gallon, to finance the R.T.A., was a very bad idea. In DuPage and Lake 51.1% thought that it was a very bad idea. In Cook, 54.2 thought it was a very bad idea and then strangely enough, I expect you'd be as surprised as I about this, in the City of Chicago 46.4 felt that the use of the motor fuel tax was a very bad idea. Now, secondly the motor fuel now is only used for highways that coupled with license fees are the only sources of money available



for our highways. The only exception to that is, as you know, the power for local governments to use their motor fuel tax for transit. I would not like to see our starting in to preempt what is one of the two major and sole sources for funding of our highway systems. We never used any general revenue for the funding of highways and the last point that I want to make on that is, that we are on the threshold of seeing the price of motor fuel, skyrocket. I read, with interest, that by December 1, according to the Illinois Retail Gasoline Dealers' that the price per gallon will be 60¢ a gallon. And I just don't think that the people, considering the fact that it is skyrocketing, would be amenable to further increasing their motor fuel tax in addition to that kind of increase that we're seeing, by the imposition of 2¢ or even 5¢, such as you have suggested in the past, to that...to that figure."

Schlickman: "How many respondents were there to the Taxpayer Federation survey?"

Speaker Blair: "Well, there were 2,014, I think."

Schlickman: "A Member of our Body from suburban Cook County has conducted a survey and consolidated a number of other Legislative surveys and the responses to that survey and the number of respondents was greater than the Taxpayers' Federation, showed that the respondents favored the gas tax over the sales tax by 2 to 1."

Speaker Blair: "Well, that was not a scientific survey, as you're well aware and this was done by social research. People that are in the business and it was funded by the Taxpayers Federation which is a respected objective body. You can find polls..."

Schlickman: "Downstate groups, financed by businesses."

Speaker Blair: "I beg your pardon?"

Schlickman: "Downstate-oriented groups financed by businesses."



I have one further question, Mr. Speaker."

Speaker Blair: "I wanted to stay on the... You can probably find a poll taken by somebody that will support just about anything you want."

Schlickman: "I agree with you on that."

Speaker Blair: "I know that my own newspaper in Joliet ran a poll and it overwhelmingly showed that the people preferred, if they had a choice between a sales tax situation and a motor fuel to go with the sales tax. That is entirely consistent with the findings of Social Research Incorporated. The outlying counties to a greater degree find the motor fuel unaccepted because that's the means whereby they traverse the area. The closer in you get to the City of Chicago the greater the use of transit and, therefore, the less resistance to the imposition of the motor fuel tax increase."

Schlickman: "Well, perhaps the best way to resolve this, assuming for the moment that there would be a referendum, we should add to the proposition funding alternatives so that people could, all of the registered voters could participate in this decision. One further question, Mr. Speaker, and this is of a general nature though specific. You made much of the fact that you have a separate Bill, House Bill 16, that gives voice and participation to suburbanites by the creation of the Suburban Transportation Corporation. If S.T.C. is so important and so vital to your scheme, why is it that House Bill 15, the R.T.A. Bill makes no reference to the Suburban Transportation Corporation? Doesn't this mean that under House Bill 15, R.T.A. would have absolutely no responsibility towards Suburban Transportation Corporation, could completely ignore it and leave it a useless, ineffective body?"

Speaker Blair: "Yes. The Suburban Transportation Corporation



is a transportation agency, as that definition is spelled out in House Bill 15. And it will be operated in the same fashion, the relationship as the R.T.A. would have with other local mass transit districts. The Suburban Transportation Corporation concept is not unique with the Transportation Study Commission, it...That the people that were involved with the Governor's task force...ah...in order to create a ceiling of the kind that Mr. Deuster was expressing in so far as the suburbs and the outlying areas were concerned so that if they had a board that would be handling its subsidy...ah..that would not have anybody from the City of Chicago on it that would be a preferable situation rather than being under the control of the R.T.A. By the same token, I might indicate that in House Bill 15, there's no mention of the Chicago Transit Authority either. The definition of transportation agency."

Schlickman: "All right, you agree then, that in House Bill 15, there is no specific expressed reference to the Suburban Transportation Corporation which is set up under House Bill 16."

Speaker Blair: "Yeah, that doesn't make any difference."

Schlickman: "And that in House Bill 15, there are no prescribed duties or responsibilities imposed upon R.T.A. relative to the Suburban Transportation Corporation?"

Speaker Blair: "None with regard to the Chicago Transit Authority or the Northwestern Railroad or the Rock Island or the Illinois Central."

Schlickman: "And that in fact, the R.T.A. board, could, completely and legally ignore the Suburban Transportation Corporation."

Speaker Blair: "And local mass transit districts, the Chicago Transit Authority and the North Western, the



Illinois Central and the Suburban Bus Company. They could do all those things but those are more imagined than real."

Schlickman: "Mr. Speaker, thank you very much for your enlightening responses. Mr. Chairman, may I ask Mr. Baldino a question?"

Neff: "Mr. Baldino, would you step up please?"

Schlickman: "Mr. Baldino, the Speaker, in his initial presentation made the statement that the Regional Transportation Authority, proposed in House Bill 15, was to be funded totally within the region, suggesting no statewide contribution or support of a financial nature. In your presentation you stated, I believe, that you were concerned about the Speaker's program, in that it would bring about a loss to the State's General Revenue Fund in the amount of 175,000,000 of dollars. Now, the Comptroller of the State, Mr. Lindberg, stated in late October, that such a drain from the State Treasury for the support of public transportation within the Chicago region would have one of three effects, in the alternative.

1. New revenue. I equate that to new taxes.
2. In the alternative a reduction in state appropriations for vital services such as Public Education, Mental Health, etc. or
3. A sharp reduction in the state savings cushion. Now, he didn't go on, as I was corrected the day before yesterday. But an eminent authority relative to the state's fiscal health, one suggested that a sound savings cushion is indispensable for the credit of the state and to meet extraordinary emergencies. Now, would you mind suggesting to me which of the three alternatives the Civic Federation would opt for?"

Baldino: "Well first of all, Representative Schlickman."

Schlickman: "Yes, Mr. Baldino."



Baldino: "I should have written down the three options."

Schlickman: "I'll repeat them because they're rather ominous and dire. One is as a result of a one hundred and seventy-five million dollar drain on the State Treasury as proposed by the Speaker's package for the support of public education, public transportation within the region. The Comptroller of the state has said there are three alternatives, three consequences and we will have our choice of one of those three alternate, dire consequences. One is a new revenue to the state. The Comptroller didn't say increase in taxes but I don't know how else we'd come by new revenue to replace a one hundred and seventy-five million dollar loss to the General Revenue Fund. The second alternative, the second dire consequence as a result of the Speaker's funding program would be a sharp reduction in state appropriations for the purpose of Public Education, Mental Health, etc. The third dire consequence in the alternative would be a sharp reduction in the state's savings cushion. Now, without your commenting on whether or not the Comptroller is correct, I would like you to restrict your response to which of these three dire consequences the Civic Federation would opt for as a result of this one hundred and seventy-five million dollar drain on the state's General Revenue Fund? Just give me 1, 2 or 3 and I'll be satisfied."

Baldino: "I'd be speaking for myself, but...ah..."

Schlickman: "Are you saying that the Civic Federation in determining its support for House Bill 15 and the funding method didn't determine what the consequences would be?"

Baldino: "No. Representative Schlickman, in either program before the General Assembly, is it contemplated that approximately one hundred and seventy million dollars will be lost to the state? If you take...if you take one hundred and seventy million dollars, which would be the result of the reduction of the state's share

(con't on next page)



of the sales tax by one-half cent. Or, if you take the \$110,000,000 in the Governor's tax relief program, plus the \$60,000,000 grant. I think they pretty well balance out."

Schlickman: "Now, wait a minute, Mr. Baldino. With regard to the Governor's program, he does not look upon that tax relief measure of ten dollars per resident as a part of his transportation program. #1. So I don't think we can draw that in.. They are divisible and separate, unlike the Speaker's program. #2. The Governor has provided a source of new revenue to replace the \$60,000,000 taken from the General Revenue Fund and it's new revenue that is not based on a new tax. So, let's not suggest that either the Governor or the Speakers program of funding would result in the same drain, transportation...funding for transportation would result in the same drain on the State Treasury. You're not going to fool me, Dan. Now, I asked you a question. Which of the three alternates, dire consequences would you personally opt for?"

Baldino: "I think we would have to say we would opt for, if necessary, a reduction of state appropriations and a reordering of priorities. Okay?"

Schlickman: "Thank you. Thank you very much, Mr. Chairman."

Neff: "The Chair recognizes Harold Washington. Mr. Washington."

Washington: "Since the Speaker is sitting here, I can just turn and ask him. I have just a few questions of the Speaker in reference to this Bill. Mr. Speaker, you alluded several times or refered several times to a poll that had been conducted by the Taxpayers Federation. That poll was not, the results of that were not distributed to the Membership, were they?"



Speaker Blair: "I...I frankly don't know. But, I'll be happy to provide you with a copy of it."

Washington: "Yeah, I've inquired around. No one seems to have gotten a copy. But I don't have time to look at it now. Maybe he can just answer some questions."

Speaker Blair: "Okay."

Washington: "Give me the first circumstances of the poll. When was it taken? Where was it taken? What was the total sample. Roughly speaking, give me some geographical points that were touched upon."

Speaker Blair: "The...ah... The survey was designed to investigate public attitudes and opinions regarding the proposed R.T.A.. The main goals of the study were one, to examine the public's perceived needs for the R.T.A. Secondly, to evaluate attitudes towards proposed methods of financing the R.T.A. and three to evaluate attitudes toward proposed methods of managing the R.T.A. The sample for the research included two thousand and forty-six men and women from the six county area of Cook, DuPage, Kane, Lake, McHenry and Will. The respondents were interviewed by telephone. Watts lines were used by an independent data gathering service based and valid. Interviews were conducted between September 18 and September 22, 1973. The hours of the interviewing between 2 p.m. and 10 p.m. on week days and between 8:30 a.m. and 10 p.m. on Sundays. They...it was designed to reach the widest possible range, men and women, working persons and non-working potential response."

Washington: "Well in particular reference to the City of Chicago. Do you have the breakdown of the number of samples taken there?"

Speaker Blair: "The number of households as reported in the 1970 census was used to determine that proportion of the



samples to be allotted to the City of Chicago and to each of the six counties. The number of households that were involved in the City of Chicago, the number of households in the 1970 census were one million, two hundred and eight thousand, seven hundred and eleven. The proposed sample was one thousand and fifty-five from the City of Chicago and the completed sample, actually used in the results was one thousand and seventy-two."

Washington: "Well, I'm...I'm certain we can agree that certain areas of the City of Chicago are more inclined and do use the C.T.A. more than other sections, geographical sections or even wards within the City. And my question is, was the particular or any emphasis given towards weighing in those districts which we know heavily use the C.T.A. or was it sort of a scattergun, rough sample approach? Was it weighted many ways, is what I'm trying to find out."

Speaker Blair: "Yeah, the polling is, was broken up on the data computer runs on the basis of the questions asked and a very detailed fashion so that the actual respondent...ah...that used commuter rail, that used the C.T.A. or that used car, that you can actually look at the survey and see what their attitudes were on a whole variety of questions. The...the important thing, it seems to me is that this is the only definitive poll that I know of that shows an overwhelming percentage of people. Be they in Chicago or outside that feel that their areas ought to be in the Regional Transportation Authority."

Washington: "I'm getting to the real core of my question and that is the sales tax problem."

Speaker Blair: "Oh, yeah."

Washington: "As you know. Now, I've touched base with



quite a few of the Legislators in the so called, intra-city. Roughly Madison Street to the southern limits, the Lake all the way over to Western Avenue, to me is intra. And their sounding seemed to refuse the conclusion of that poll that the people seem to be in favor of the sales tax as part of the funding for the proposed R.T.A. Our soundings are just the opposite. So, I'm concerned about that particular local in terms of the response to the question you posed as to where the funding should come from."

Speaker Blair: "All right. The...the best method for financing the R.T.A., that was the question that was put to a thousand and seventy-five people from the City of Chicago that were interviewed by telephone. That...Now, that was the question that was asked. All right? And the...the State Lottery was felt to be the method by the people in Chicago by 58.6%. The $\frac{1}{2}$ cent sales tax wash out and it was put that way that the reduction of the sales tax by $\frac{1}{2}$ cent and then the reinstatement of that, was favored by 20.2%. Then the use of tax on parking lots only by 5.6. A very significant drop off. The 2¢ a gallon gasoline tax, 4.1%. Toll-way tax 4.1%. Increases State Income Tax 1.2% and then Property Tax, Public Utilities were all under 1%."

Washington: "Well, I'm trying to pin it down to that general area that I described within the City of Chicago."

Speaker Blair: "Oh, well I'm sure that...that they could, on the basis of the data processing cards takes those cards for any particular area that you would be interested in in the City of Chicago and run that through the computer and give you that. This poll was not commissioned by me. It...ah..."

Washington: "I understand. Okay, fine. One other question, Mr. Speaker. Now, in House Bill 1958, if I recall



correctly, there was a section in there which provided for roll back of fares to 25¢. Am I correct? I'm paraphrasing very horribly."

Speaker Blair: "No, there was not that in 1958. But the funding that was proposed under those Bills in May and June did include 20,000,000 more than the funding we're proposing now and that 20,000,000 was to cover the cost of reduction of fares on the buses to 25¢ an hour in off-peak hours."

Washington: "And that's not in the present..."

Speaker Blair: "No, that is not in here and the reason, as I explained in my introductory remarks, was because we have been talking with people around, not just in Chicago but in the outlying areas and the thought was advanced and we felt that it was a pretty realistic thought that if we're talking now, for the first time, providing using tax revenues for operating subsidy, should we not, at least initially not talk in terms of reducing fares. In other words, using general tax revenues and reducing fares of the users. Should that not be something that should come along at a later time, perhaps; and that's why we felt that we would exclude that and it's not in this proposal."

Washington: "All right. My last question or two deals with the composition of the board. Now, as I read Senate Bill 1. Pardon me. House Bill 15. The board shall consist of nine members. Four from the City of Chicago, two from the suburban members of the board and two from the five other of the northeast county areas. What was the basic formula for determining which political subdivisions would get these number of representatives on that board? Was it a population figure used? Or how did you arrive at that?"

Speaker Blair: "In so far as I know, the nine, the eight member base board proposal attracts closer to a one-man,



one-vote situation than any of the other proposals that I have seen. Quite frankly, as I again said in my introductory remarks. It reflects a balance in so far as political control is concerned and that means that the Mayor would be appointing four. That the Commissioners in Cook County, outside the City of Chicago, all of whom are Republican would be coming up with two and the Chairman of the five county boards, all of whom are Republican would be coming up with two. So you end up with a board that would be structured politically, four Republican and four Democrats. They would select by a vote of six of the eight, the Chairman of the Board and more importantly, approval of budget every year would be required by six of the nine. So that there would be a good balance as we sought, politically as the Garmisa Bills reflect that same balance."

Washington: "Well, this is the thing that disturbs me, Mr. Speaker. There is an attempt to balance things politically and my concern was not that but rather to balance economic interests, balance the factors in terms of what region could be more financially in terms of it's economic value than another region. I think the...it's unrealistic to try to balance this thing, Democrat versus Republican. That's not the end all and be all in this world, you know."

Speaker Blair: "Well, it's a very practical consideration when you're talking about votes."

Washington: "All right, that may well be true, but over and beyond votes, we're talking about a system which may go on in perpetuity, when there may not be Democrats or Republicans, as such. I'm concerned about the economic interests. Further, I might add, although the one-man, one-vote concept tugged at our heart-strings in terms of fairness, I'm not certain



that it is applicable to this political subdivision. It's my reading of the latest Supreme Court cases that that applies only to the redistricting of Congressional Districts. So I...You're not saying that you are mandating to apply that concept in the R.T.A. authority are you?"

Speaker Blair: "Absolutely not. But as a measure of fairness, I think you would agree that...ah...on questions of representation that there is an inherent fairness, if you can strive for a one man, one vote concept."

Washington: "Well, I..."

Speaker Blair: "I mean, that has produced substantial benefits in a number of areas of our country. As you might well appreciate."

Washington: "There's no question about it and I'm not fighting that. I'm just saying it may not be applicable across the board. But the concern that I have for the makeup of the board and this is not a Democrat versus suburban or downstate arguments. My problem with the board is that I honestly think that the City of Chicago should have a majority on that board because I think the economic interest of the City of Chicago far outweighs the balance of the northeastern six county region and I don't know that anyone has addressed themselves to that question."

Speaker Blair: "I think they have and I think they decided it was a matter of practical, political consideration that in order to establish an R.T.A. that that kind of thing that you're suggesting simply would not be available. I know the Mayor himself is satisfied with the board structured as we have it structured here and you and I both know that he has an overriding concern about the interest of the people of the City of Chicago."



Washington: "Well, I have great faith in the Mayor but I think I can take care of my interest better than the Mayor can and if he didn't make this argument then I think he fell down in his responsibility to at least my part of the City of Chicago. I won't ask anymore questions."

Speaker Blair: "There's nothing in the Garmisa Bill, as I might indicate to you that requires any reduction of fares either."

Washington: "I'm going to talk to Garmisa about that."

Speaker Blair: "And secondly talk to him about the..."

Washington: "Affirmative action?"

Speaker Blair: "Yeah. Garmisa doesn't have the affirmative action provisions in his proposal that we have in ours."

Washington: "Anything else you want me to talk to him about."

Speaker Blair: "Copies of the poll that poll were distributed to the Leadership on your side of the aisle and to the Governors Office and additional copies of the... of it are available on request and I'd be very happy to have one sent, given to you."

Washington: "Thank you."

Neff: "The noise level is getting a little higher. There's many Members sitting here attentively trying to hear these questions and answers and let's show them the courtesy of letting them be able to hear... This building isn't the best in the world on the noise level anyway and it's just real difficult for the Members to hear the questions and answers both. The Chair now recognizes, Mr. Skinner."

Skinner: "Mr. Speaker, I'm interested in how the original area could be expanded after the district is formed. Like how do we get DeKalb County in once this gets large enough to justify the same treatment that



McHenry's going to be subject to?"

Speaker Blair: "Oh yeah?... You have to initially have an ordinance by the County Board of the particular county that would be involved in it's entirety or any part thereof. A similar ordinance passed by the R.T.A. Board and then a referendum within that particular area voting on the proposition to annex."

Skinner: "I'm sure you realize there's a little bit of irony that they should be allowed a referendum by county and other counties in the original proposal would not be."

Speaker Blair: "No, I don't.. Because what we look at are the fingers coming out from the hub of the City of Chicago and where those commuter rails go out and there...there is commuter service provided into each of the counties that is in the various proposals that we have before us. Additional areas that might not be the case and there would have to be some benefits, I would suppose that the people in that particular area would see coming to them before they would vote to come in."

Skinner: "Well there...the present fingers, as you put it, run into Indiana and into Wisconsin. I am still worried about subsidizing non-residents of... with my tax dollars and I don't want to do that. Is there any provision whereby subsidy would be precluded by these people, for these people?"

Speaker Blair: "We've answered that..."

Skinner: "I understand that both the Indiana and the Wisconsin Legislature have refused subsidy and I... If they're not willing to subsidize then I'm not."

Speaker Blair: "Well, the language in the Act that I referred to earlier makes it clear that the financial... On page 10, 'In regard to any such agreement or grant, the authority shall consider the benefits to the



metropolitan region and the financial contribution with regard to such service made or to be made from public funds in such areas as served outside the metropolitan region.' That means that, I'm sure, that if there were no...ah...contributions being made in the areas outside the State of Illinois that the R.T.A. Board would not be into any subsidy of transits that would flow between Illinois and Indiana or Illinois and Wisconsin."

Skinner: "Well, I believe that your..."

Speaker Blair: "Oh yes and you would need, in any event the two-thirds vote of the R.T.A. Board for the approval of the funding on a yearly basis."

Skinner: "All right, would you tell me, you used this argument in debate last year that you can't subsidize part of a train ride of, I believe the Pensey is almost filled by the time it gets to Illinois and I don't know, you know, are you considering subsidizing that line? The one that comes from Terra Haute, that parallels, parallels that Amtrack train that we take down to Springfield."

Speaker Blair: "Well I...I don't think the fact of the matter, there's been any discussion with any of the rail carriers concerning interstate movement of that magnitude. It would be up to the R.T.A. Board. I don't see how that's commuter service."

Skinner: "Well, it certainly is commuter, they come in every day."

Speaker Blair: "It is? From Terre Haute?"

Skinner: "Well, Terre Haute... what's on the front of the train? That's probably where it starts. Lake Geneva, I know better. You know, we must have all of twenty-five people, twenty-five millionaires commuting from Lake Geneva and I see no reason to subsidize them. Now is there a way to prohibit a subsidy?"

Speaker Blair: "Well, you can put such restrictions on the



R.T.A. Board as you might want. The more restrictions you put on it...ah...the less viable, in my judgement, you make it. I would expect that the members of the board from the outlying counties, whatever that board ends up being structured with and the members of the board from suburban Cook County would not approve any subsidy situations for transit outside the State of Illinois that would bring commuters into the City of Chicago unless there were commensurate subsidies coming from those areas outside the City of Chicago, outside the State of Illinois. I can't speak for the board but I would just feel confident that they would not do that. They certainly would not have any motivation to do it as I would see it. Why, really, should they? I mean I just don't..."

Skinner: "Well I can't think of a reason, that's why I can't think of why we wouldn't put it in the Legislation."

Speaker Blair: "Well, as I say, you can offer Amendments that can in...that in a great number of ways can restrict the power of the R.T.A. and all I suggest is that there is probably a need to be careful in that area. I appreciate the protection that you're after on the one hand and on the other hand from an objective standpoint I think that if you tie the hands, completely, of the board there really probably would not be a need to have any of them."

Skinner: "Mr. Speaker, it just boils down to a matter of trust. Now, if you were going to resign and become Chairman of the R.T.A., I would have a heck of a lot more trust than talking about nine completely anonymous individuals whose background and ability to sell out, excuse me, to make arrangements with how



the money is spent over which I'll have no control."

Speaker Blair: "As I say, I think what you do in that area, if you have very strong feelings about it, you...you simply propose Amendments. I...to the Legislation and if it's the will of the Membership then that's what we'll put in and I think you should, if you carefully count language...ah...that a variety of these circumstances that you're referring to could be built in as protection and I would certainly be ameanable to entertaining those Amendments if you wanted to submit any and all of them."

Totten: "The Gentleman from Kane, Mr. Friedland."

Friedland: "Thank you, Mr. Chairman. Mr. Speaker, on page 31 of House Bill 15 is described the Motor Vehicle Parking Tax Provision. Could you tell me please how and where envision that this section would be implemented?"

Speaker Blair: "Yeah, this of course is a broad authority that is given to the board and they would prescribe where that parking tax would be imposed. It would not, I would feel confident, of course, be providing any such tax on park and ride facilities, that sort of thing. We felt that the primary impact in all probability would be in the City of Chicago."

Friedland: "In the garage facilities? Or near commuter..."

Speaker Blair: "No, I just said those park and rides. I'm saying that the board, the power given to the board is broad enough to put the parking tax on in whatever classification that it wanted to do so in the entire region. Now, it's a practical matter if you ask me what the board will do. I could just venture a guess and that is that you would not see it providing any such parking tax on parking and ride facilities because the park and ride facilities is a facility that's provided to induce



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people to use the commuter rail service. So, it would seem to me it would be working against the very purposes for which the R.T.A. would be created for them to...to tax that particular facility. When you try to circumscribe the power of the R.T.A. board with regard to that you do run into some...some difficulty in doing it and I think it, that your question's a good question. It's like Cal's question...ah... What you do about it, I'm not quite sure. You can put Amendments on trying to circumscribe where that could be done or you rely upon the board itself to use it's good judgement...ah...with regard to the imposition and classification of that revenue source."

Friedland: "Thank you."

Totten: "The Gentleman from Cook, Representative Dunn."

Dunn: "Bob, you have some bonding provisions in that Bill, don't you? I..."

Speaker Blair: "Yes, they're identical, I think, to the bonding, the Garmisa Bill listed the bonding provisions that were in our Bill in 1958 practically word for word."

Dunn: "I'm, I think the opt in the R.T.A. would be one that would own and operate in entirety all the equipment and services. How do you feel about the possibility of authorizing the type of bonding that would enable us to raise the funds to purchase outright the equipment of the railroads and the C.T.A. and so forth and literally operate it rather than purchasing services?"

Speaker Blair: "Well, I think..."

Dunn: "And are there any estimates of the cost of this?"

Speaker Blair: "I think that we provide an authorization for five hundred million dollars worth of bonds. The



indication is that taking into consideration transfers of public equipment as such, that bond authorization in that magnitude would put the authority in the position of taking over the equipment of the carriers in the area. The testimony before the Transportation Commission concerning whether or not at the outset you go in on purchase of service agreements or you go in and take over the operation, was that in the latter category, that had not been done anyplace in the country. That it is too large a first step to start from zero, with regard to organization and whatnot that there are substantial labor problems that you get into when you put a public agency, a brand new one such as this is at the outset, into operations. And that the preferable way and the way it's been done around the country has been to go to purchase of service route and...but we have provided, I think the...in this Legislation, the opportunity for as quickly as it would decide that it would be the proper and right thing to do before the R.T.A. to actually purchase the capital equipment and go into operations itself."

Dunn: "Would they have to...would the board have to come back to the Legislature to, for authorization or could they, if this Bill passes, would they, could they make a decision to go that route?"

Speaker Blair: "They, the council...council advises me that the language is drafted broadly enough so that the board itself could make that decision and the only thing that they would have to come back to the Legislature for would be any additional funding that might be required from the standpoint of additional tax levying powers in the district to handle the funding of the bonds."



Dunn: "All right, thank you."

Totten: "Are there any other questions of the Sponsor?

Speaker Blair, would you like to close?"

Speaker Blair: "We don't have anything else. Do we?

Thank you for your attention."

Totten: "All right, the next Bill we have is House Bill 39.

Representative Katz. House Bill 39 and 40.

For what purpose do you arise?"

Schlickman: "Mr. Chairman, with respect to House Bills 39 and 40, are there copies available for the Membership?"

Katz: "Yes, as far as I know, copies have been distributed but they are boxed in the room back there and you can get one, I know, in the Democratic room to the right. They have been reproduced and..."

Schlickman: "May I suggest, as a Member of this House, I'm entitled to have one delivered to me instead of my looking for one and I would appreciate a copy."

Katz: "Well...Gene you do understand that I had nothing to do with the distribution of copies. I'm sure that the people who run the House will see that they're distributed. They're back there and I would like for them to be distributed because there is nothing that would sell these Bills as much as the Bills themselves. I want to tell you that..."

Schlickman: "Harold, I'm trying to help you."

Katz: "Right, are they in the mailboxes?"

Totten: "It is my understanding that these Bills are in each Members mailbox and if they'd like to pick them up there they could do it."

Katz: "I'm told by Representative Juckett that they are in the box. I can also tell you that there are two boxes of them in the Democratic mailroom on the right and I would very much hope that if you don't have one and would like one that you would go and



and get it. Now, I think that it is very clear, Mr. Speaker and my colleagues here in the House, that there is no subject of such overriding public importance certainly in the metropolitan Chicago area as the question of rapid transit and a reasonable effective, efficient public transportation system. The developments in the Middle East in terms of the problems of oil supply are coupled with the general energy crisis, make it such that it would be totally irresponsible for us not to provide an alternative to the public in the metropolitan area to using the oil and gasoline in unnecessary automobile transportation by not providing a public transportation system. And a group of us whose names I would like to mention here because this is a joint effort, it is a bipartisan effort. Representative Gene Hoffman and Joseph Lundy and Bob Dunn and Bill Redmond and Adeline Geo-Karis and Mike Getty. Want to give me that list there. And John Porter and a few other people who...no... Joe McGah and Vince Malloy, Jim Houlihan, Jim McCourt and the others here who would like to join with us, we believe that there should be a viable alternative proposal for R.T.A. in the event that the Bills that have been sponsored by the major party leaders are not able to garner the requisite number of votes. And I would like to tell you that the procedure by which this came about was that we had made a conscientious effort to study the Blair Bill and the Governor's Bill and to try to pick out from those Bills the items that we felt would make for the best transportation... If I was misadvised with reference to any of the co-sponsorships, I regret that. Mr. Houlihan indicates that he is not among the lucky group that is co-sponsoring



this Bill but I was misadvised and it is only your loss, Representative Houlihan, because this is the Bill that has so very much to commend it and I would like to tell you about what is good about this Bill. In the first place, we provide adequate funding, picking up what we think are the best provisions in the Governor's Bill and Speaker Blair's Bill. You're welcome, Mr. Speaker. And adding some additional changes that we think make the Bill much more acceptable to the public and much more acceptable to both parties. Now, the funding of the Bill consists of the following. We pick up the funding of the R.T.A. from auto-related taxes in the same way that the Governor did, with a few changes, however, that we think are important. First of all, you'll recall that the Governor has used auto license fees in an amount of \$15.00 or \$7.50 for first class passenger cars. We do that also but we add one half of the amount, which that now is, so that there is built in, whichever is greater there is built in the possibility of increases for the R.T.A. for the future as it's costs increase and as in the normal course of events license fees are increased. Downstate, however, we make an important change with reference to the license fees, that we think will particularly commend the Bill to downstaters. Under the Governor's proposal, the \$15.00 collected from the license fee in the downstate areas would go to the local counties for auto or road or transit related purposes. We, instead of doing that, leave the money downstate in the Road Fund. We provide that it shall be used in the Road Fund only for state highway construction and maintenance purposes in the 96 counties where it is raised. So, that the Road Fund is not disturbed from it's very important use



of building state highway programs downstate. We think that there is a lot to be said for it, we also think that in the R.T.A. area that the proposal to use it for the R.T.A. is a very excellent source of funding that would raise \$45,000,000 of the funds needed. In addition, we incorporate the gasoline tax, as proposed by the Governor, but we do add a maximum permissible amount of five per cent and this would raise \$55,000,000 and a parking tax we permit to be imposed by the R.T.A. because it is an excellent source of revenue and it is only fair that people who enjoy the advantages of a transportation system, contribute. Now, in addition to the auto license fees, the gasoline tax and the parking tax, we then pick up and modify a provision in Speaker Blair's Bill. You'll recall that he relied for the funding of the R.T.A. on a half a cent decrease in the Sales Tax. In the six county area he would permit that to be reimposed by the R.T.A. so that in the six county area, the sales tax would remain the same. It would thus raise \$105,000,000 for R.T.A. Outside of the six county area it would reduce the Sales Tax by half a cent and the rest of Illinois. Now, we do two things that we think are very important. In the first place, we had serious questions about whether or not the state can afford the loss of a \$170,000,000 in revenue and so rather than making the reduction or the change a half a cent, we make it a quarter cent. But, in the 96 counties downstate, rather than simply reducing the Sales Tax, which nobody has asked for, we put it into a special fund that funnels into the County Treasurer to abate Real Estate Taxes in the various downstate counties in proportion to the collection of the Sales



Taxes in that county. Now, we best believe that that excellent mechanism that the Speaker came up with, which is the use of the Sales Tax, which is a very excellent mechanism for funding that rather than actually reducing the tax, resulting...which would result in reducing a tax that nobody really wants reduced and also having lack of uniformity in the State of Illinois so that the Sales Tax is different in one part of the state than the rest of the state, we funnel that Sales Tax money into abating the one kind of tax that is really the tax problem in Illinois and that is the Real Estate Taxes. We think that everybody here recognizes that the Real Estate Tax is the most onerous kind of tax in Illinois that is making the ownership of property 'consistitory' and we believe that both parties should welcome the use of this money for reducing Real Estate Taxes in Illinois. Now, in addition to that, we previously heard the Speaker optimistically predict that there would be federal operating subsidies available. I was very glad to hear the Speaker say that because under our plan, as federal operating subsidies become available, the Sales Tax would be used in the six county area for the same purpose that it is used downstate, which is to abate Real Estate Taxes in that six county area. Thus, this is a Bill that provides the potentiality of tax relief throughout the State of Illinois, that has been I know a principal objective of our Governor and I'm sure a principal objective of all of us. However, we do not make the mistake of enjoying those federal operating subsidies before we get them, because as I read the very excellent proposal of the Speaker, he is terribly confident we will have operating subsidies, in fact



he is so confident of that that he is willing to let the running of the C.T.A. depend upon whether we get it or not. We think that that is rather risky. We would prefer to have adequate funding for the R.T.A. and then when the federal operating subsidies come in we will then put that money in Real Estate, Property Tax abatement which I think in our heart of hearts everyone here recognizes is really the principal desire of the people of Illinois. I dare say that I've been here ten years and I don't think I have ever received a letter from a constituent saying they want to have the Sales Tax reduced, but I hate to tell you how many letters I've received and how many people come up to me complaining about the Real Estate Property Tax. And so, our proposal is the only one that funnels the tax relief where it ought to be into the reduction of the Real Estate Taxes. Now, I would point out to you that we adopted new funding proposals in a new school formula in the Spring Session. It is going to cost us a great deal of money and I was very interested in hearing Representative Schlickman's searching questions of Mr. Baldino with reference to the fact that we are going to need that money, and I would point out to you that this proposal would cost the State of Illinois only half of the revenue lost that is embodied in the other two proposals. Now, in addition to that, we have tried to reconcile other differences that seem to us to stand in the way of an accord on R.T.A. Now, I am aware of the fact that from the outlying counties that are embraced within R.T.A. there has been a general feeling of taxation without representation. That is that they were subject to being taxed for the R.T.A. but did not have



GENERAL ASSEMBLY

STATE OF ILLINOIS
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guaranteed representation on the board. And so, what we have done is to utilize the experience that is found throughout American industry in the way that corporations are run. We maintain that delicate balance that the Speaker and the Governor have in their Bills by having an even ratio between Chicago and the rest of the area. But we increase the number so that there are 10 representatives from Chicago, 5 from the suburbs and 5 from the outlying counties. This each one of those 5 counties has a representative on that board. Fifteen of that twenty elect a Chairman, then the ten representatives from Chicago elect two of their ten to be on an Executive Committee that is closed with the authority to manage the R.T.A. on a day to day basis. The five from the suburban areas select one of their number to be on the Executive Committee. The five from the outlying areas select one and these four people plus the Chairman constitute an operating board small enough to operate efficiently. Now, I don't know about your experience but I will tell you that my experience is that a group that is larger than five loses an efficiency as it grows larger and I really think that a nine member board is inherently not as efficient in an operation of a business which R.T.A. is, as a five member board so that the new proposal we have on structure achieved the double purpose of guaranteeing that there will not be taxation without representation. Of guaranteeing each of the outlying counties representation on the board but then ends up with a five member operating board that is closed with the responsibility of running the R.T.A. and is small enough to do it efficiently. Now, there are some real advantages that I just want to reiterate to you so that you will see them.



Because, while it is not our purpose to block any other proposals, it is our purpose to prevent a viable alternative. In addition to that, we have an obligation as Members of the House to report out the best possible Bill. We have looked around and tried to pick out the provisions that seem to us good and this includes, for example, the provision that the Governor, I think, picked up from Representative Deuster. Which is requiring that two-thirds of the money raised in the outlying money raised in the outlying counties be spent in terms of providing transportation for the residents of that area. We think that our plan is tremendously attractive to the people in the six county area. It provides funding from taxes and sources that will increase as inflation goes on and is cost wise. As Mr. Baldino explained to you this morning, the sales tax is an excellent and responsive source of revenue. The automobile license fees are an excellent responsive source of revenue and that is added to because we built in the provision that in the event of future license fee increases, that is automatically funneled into the R.T.A. Certainly the sales tax on gasoline is a very gross-oriented security that has gotten to raise money in the region for R.T.A. Thus, you see that we will not have an R.T.A. that has to come crawling to the Legislature for general appropriations. I think that, therefore, it is to our interest as Legislators to set up the R.T.A. on a self sufficient basis so that we can utilize our revenue courses here and deal with the problems of education at the common school and higher education levels and have an R.T.A. that is viable and can look to it's own resources. Now, there are many other features in the Bill. I know that my



good colleague, Adeline Geo-Karis, insisted on some provisions with reference to requiring competitive bidding, for example, in the issuance of bonds. Representative Lundy, wherever he is, has been... worked very hard. A number of the Legislators here have had considerable input in it. It is a joint product that is not motivated from the partisan point of view in any way. It is a desire to resolve what may be a situation of stalemate with regard to the most important problems that Illinois faces at this moment. It is a problem that will not stand still. The developments in energy and oil and gas makes this a crisis problem. Bus companies and railroad companies will be abandoning public transportation unless there is supplementary funding in our area and it would indeed be a great tragedy if while we sit and debate and talk we have irreversable changes that take place in terms of the discontinuance of operations of suburban buses and railroads. I would point out to you that my own community of Glencoe, since the time of our Spring Session, when no agreement came out that the Evanston Bus Company has gone out of business as far as it's own Glencoe operation. So, in my own area, we no longer have in the six months period the same public transportation that we had then and I read in the newspaper that the Rock Island Railroad is trying to abandon it's operations. So, this is not the kind of situation that we can fiddle and diddle while Rome burns. We need to act and we have come forward with what we think is a viable alternative, picking up what we think are the best of Speaker Blair's Bill and the Governor's Bill and adding a few nuances and of course, Representative Carmisa's excellent Bill and adding some provisions that we think improve upon



both the already excellent provisions in the Speaker's Bill and the Governor's Bill."

Totten: "Are there questions of the Sponsors. Speaker Blair."

Speaker Blair: "Well, at the outset, let me just say that

I want to commend...ah...the Gentleman from Cook for his thoughtful pursuit of trying to arrive at some compromise at the early stages of the R.T.A. matter. I think it would be well if we just might engage in a quick dialogue so that there is an understanding about the funding provisions in your Bill in comparison to the funding provisions in the Garmisa and in the Transportation Commission Bill. Actually, that part of your proposal that addresses itself to the Sale Act, you really... when you say that it's a quarter of a cent of the sales tax, you're really using that as a measuring cup device, if you will. In other words, you're really saying that you're going to dip into the states general revenue fund, the equivalent of one-quarter of a cent of the sales tax deduction in a six county area and give that amount of money to the R.T.A. out of the state's general revenue fund, which would be about 52.5 or so million dollars. That you are going to then take a downstate measuring cup which would be the 96 counties and dip into the state's general revenue one-quarter of a cent of sales tax and you're going to put that back to local governments for them to use to abate the real property tax. In a very general way is that accurate?"

Katz: "Well not wholly, Mr. Speaker. It is nearly accurate but I want to point out to you that in our Bills that sales tax money never goes into the state's general revenue fund. It is automatically funneled in. It is collected by the state but it is automatically funneled into the R.T.A. and to



the downstate real estate abatement property fund. So that the distinction you are trying to draw in terms of your Bill cuts it off completely and we're taking it out of general revenue is not a distinction that will bear careful analysis."

Speaker Blair: "But it is a distinction in comparison to reducing the state R.O.T. on the one hand by one-half cent from four to three and a half, yours does not reduce it from four to three and three quarters. Right?"

Katz: "No, ours puts the money into reducing property taxes and I would be willing, Mr. Speaker, let me answer your question. You've asked me a question and I want to answer it, okay?"

Speaker Blair: "Sure."

Katz: "Are you seriously contending here to me and to our Members that there is as much ferment for reducing sales taxes in Illinois as there is for reducing real estate property taxes? Because that's what it gets down to. Are we going to use the money to reduce the sales tax or are we going to use the money to reduce real estate taxes? And I will put my judgement and my reputation and my experience with the people of Illinois that they have no particular interest in this quarter cent reduction or half a cent reduction of the sales tax but every interest in reducing real estate taxes and that's where we put the money."

Speaker Blair: "All right, I've...I'm really not occasioning right now to enter into debate on the subject. I'm trying to...I'm trying."

Katz: "I'm sorry."

Speaker Blair: "I'm trying to make it clear as to just exactly what it is that your proposal does on the funding concept as compared to these other proposals."



So it's a fair comment, I take it that you do not actually reduce the R.O.T. from four percent... the State's share from four percent to three and three-quarters as the proposal that we had advanced a reduction of the sales tax from four to three and a half."

Katz: "Yes."

Speaker Blair: "Okay. Now..."

Katz: "From the point of view of the consumer, he does not get the sales tax reduction, he gets the real estate property tax abatement."

Speaker Blair: "Yes. Okay. We've made that and I think we've got that point clear. Now, with regard to the \$15.00, from the auto plates. Now that would yield \$45,000,000 or thereabouts in the six county area."

Katz: "That's correct, sir."

Speaker Blair: "And thereby reducing the state road fund by \$45,000,000. Would you agree with that?"

Katz: "Yes, I would agree with that. But, now don't leave it just at that..."

Speaker Blair: "Well, I'm not."

Katz: "That's a little misleading."

Speaker Blair: "Now, I don't intend to do that. I'm just again trying to get the facts out."

Katz: "Yes, go right ahead."

Speaker Blair: "Now, in the Garmisa proposal...ah...he is, he does the same thing. He takes the \$15.00 in the six county area, gets \$45, 000,000, gives it to the R.T.A. He goes one step further, I think that's bad, by the way, but he goes one step further and proposes a \$450,000,000 bond issue over ten years to replace that \$45,000,000 in the state road fund. Now, is there or is there not such a feature in your proposal as of now?"



Katz: "There is not such a feature. We do not provide for raising money, by bonds..."

Speaker Blair: "As replacement."

Katz: "As a replacement."

Speaker Blair: "As a replacement, all right. And you're ...you are giving the R.T.A. the...the tax levying power with respect to motor fuel taxes at the same level that the Garmisa Bill. Well, is it unlimited or have you put a ceiling on it?"

Katz: "We're talking now about the gasoline tax?"

Speaker Blair: "Yes."

Katz: "We have put a five per cent limit on it which I think was on Blair Bill 1 at the time it almost left the House."

Speaker Blair: "That was Shea's Amendment, to the..."

Katz: "Yes, it was. But it was adopted by a majority of the House and so it was a House adopted Amendment. It was an expression of this House's view on that subject."

Speaker Blair: "I quite agree and I spoke against it and voted against it."

Katz: "Well, a majority of the House still governs and they adopted it."

Speaker Blair: "And the Bill did not move out of the House, did it?"

Katz: "I'm aware of that, Mr. Speaker, and to prevent that kind of empire that we have conscientiously gotten together to get a Bill that will move because we do not feel that the public purposes of the citizens of Illinois are served by Bills that do not move or vehicles that do not move and that is why we need an R.T.A."

Speaker Blair: "All right can we..you know, move from the rhetoric on to the real factual discussion?"

Katz: "Go right ahead, Mr. Speaker."



Speaker Blair: "Downstate now, in the Garmisa proposal...ah... they have \$29,000,000 that they would take out of the state road fund and give to local governments. That's correct, isn't it?"

Katz: "Yes, Mr. Speaker, that is correct."

Speaker Blair: "And that...and that is...and there is no similar provision in your proposal?"

Katz: "That is correct, Mr. Speaker. I want to explain it to you."

Speaker Blair: "Well no...no, you don't have to. I want to commend you for that. I think it's a recognition of the fact that the downstate road needs for the state road system are considerable and I think being from the Cook County suburban area that there is a very good recognition of that very important part of this problem and I...So, I'm very pleased to see that you have recognized that and that we do not have that situation."

Katz: "We have tried to listen to the pulse of the people and the pulse of the leaders who have indicated their views and we have tried to come up with a workable, meaningful compromise proposal and that's why we have followed that."

Speaker Blair: "Is there... All right, I think we understand that distinction. Now, the...the distinction on the board members, the Garmisa and the Commission proposals are pretty identical on the nine member thing. You have gone into the composition, which is a greatly increased board to reflect, a desire, I suppose on the partisan outlying county people that each county have a member on the board, which has no relation to one man, one vote, but..."

Katz: "Well, but it does, it does, Mr. Speaker. Let me just say this does have some historical component. We did fight wars over taxation without representation



and I feel that since we are not providing a referendum that we are following the first Blair Bill, which was correct in not providing a referendum. We should provide representation as an alternative and that's why why we have done what you are talking about."

Speaker Blair: "Well on the merits of that proposal, Harold, I really have some substantial reservations. I just frankly think that giving Mayor Daley ten people to sit down in a unified manner at...that it will result in a greater vulcanization of solution of problem solving than the much smaller board to...that is in the Governor's proposal and that is in the Commission's proposal. I recognize that you have an Executive Committee, but five people and I think that's entirely too much power to put into a group that is that small from the executive standpoint, but I understand why you did that."

Katz: "Mr. Speaker, may I just say that...one thing on the point you're making."

Speaker Blair: "I just have one further question and then certainly you can go ahead. There is no, if...if you conceive that...that there ought to be a revenue...ah...sharing related to revenue production in the outlying five counties, because you do have a two-thirds provision. How do you defend the fact that you do not feel that the area which you do represent, suburban Cook County, does not have that same...ah...consideration? Don't you think that the people in suburban Cook County ought to be entitled to have two-thirds of the revenue raised in that area be spent on transit in that area?"

Katz: "First of all, Mr. Speaker, I heard some very distinguished remarks by the Gentleman from Will this morning on the dangers of vulcanization of the R.T.A.



and I'm quite aware of the dangers that you mentioned. Now, let us take the First Legislative District, which happens to be first in every way in Illinois and relate the question. I don't even see Brian Duff applauding and that I resent. Now, let's just take it though, very seriously, all right. Now, first of all the C.T.A. served the people of Evanston and the people of Willmette so the C.T.A. is not a Chicago carrier. Second of all, I live in Glencoe. I happen to take a very wonderful transportation service, the Chicago and Northwestern Railroad, that we want to keep. But it is not fair to say, for example, that I derive no benefit from the C.T.A. When I go down to the Loop, as I do when we're not down here, which is preciously rare, that I have the opportunity to go to the Loop these days, when I do, I have available the C.T.A. service. I take a C.T.A. bus, even to get my Northwestern train. I take a C.T.A. bus to many different places and I will tell you that my law practice would not prosper very well if my clients were not able to have C.T.A. access to my office. And so, I am most desirous of their being adequate use of funding in the suburban area. But, I'm very much concerned about a mechanistic kind of approach which fails to take account of the fact that as far as the residents of suburban Cook, they both derive advantage from the areas that the C.T.A. now serves, they desire the C.T.A. to expand to O'Hare and other places, which will pick up more suburbanites and in addition to that that when we are in Chicago earning our living that we derive substantial value from having a viable transportation system. So, that is the reason why I am very much opposed to



anything that is not going to truly reflect the integrated nature of Cook County as a transportation entity."

Totten: "The Gentleman from Lake, Representative Deuster."

Deuster: "Representative Katz, I want to commend you for looking over all of the pending proposals and extracting what, in your judgement, was the very best from them all."

Katz: "And, Mr. Deuster, in the judgement of some very excellent other Legislators, like Mr. Dunn, who is sitting next to you, Mr. Lundy and a number of others. I don't want to imply... Representative Geo-Karis, it is not at all a single effort and I want you to know that."

Deuster: "I would suggest this. That I'm delighted, for example, that you have duplicated the provision on the twenty-one member board, but as the Speaker has suggested a minute ago and I remember very clearly this being in House Bill 1046, all spring long everybody was telling me that that was too big and unwieldy and I thought you had told me that too and I was wondering if there was any special reason why suddenly it's acceptable. I'm delighted but I just... I believe the Membership should know why a larger board is now... ah... deemed to be a little better than the smaller one?"

Katz: "Well, I believe that a twenty-one member operating board is not a feasible board. I believe that to have an operating board in the form of an executive committee is a highly desirable thing combining the best of all possible worlds. I'm not familiar with the detailed, your proposal in the spring in that regard, Representative Deuster, but I will tell you speaking on behalf of all of us that if you agree with that proposal we'll be very happy to have your vote



for House Bill 39, Third Session."

Deuster: "Mr. Chairman..."

Katz: "And if we owe you any...you know, it came from you it's gone into the common domain and let me say also in that regard, Representative Deuster, that we have come forward with a number of proposals. These proposals are available to the Speaker, to the Governor and to others. We are trying to get an R.T.A. We are not trying to get credit of authorship. We want an R.T.A. for the Northern Illinois metropolitan area and this is why we have come forward and if our proposal makes palatable and sellable other people's Bills then they should feel free, in any way to plagiarize as we have felt free to plagiarize."

Deuster: "Representative Katz, I think that all of us are more and more sensing the spirit that we must come together and that the people and the general Membership would like to establish a system and I'm delighted to the extent to which you've progressed. However, in some areas, and I direct your attention to page 29 of your proposal. I think you may have gone off the deep end and I would like to read this language for the Membership of this House. It says under Section 4.08, I guess or 3. Taxes. It says, 'The board may impose throughout the metropolitan region any or all...any or all of the taxes provided in this section.' And then all taxes authorized by this section may be imposed and this is the language that I think you should comment on 'In addition to any other taxes of whatever kind.' Now, which...the R.T.A. here would have authority to impose any other taxes of whatever kind. Do you feel that ought to be limited in some way?"

Katz: "It is our feeling that it is limited. We will be



glad to check again with the Reference Bureau, it was not our intent to grant unlimited taxing powers. I'm very glad that you have pointed this out. I would like to say that our Bill has been around now for a couple of days and I have been very pleased as the rest of the Sponsors have, with the fact that I think you are the first one to point out anything in the Bill that raised questions. There has been great accord with the whole idea of combining the Governor's Bill and combining the Speaker's Bill, of creating this real estate property tax assessment bond. In other words, you are now on a narrow peripheral point but on the major points made by this Bill, I do not find any considerable or even significant objection. There is general recognition of the point that we make and if in fact the point you now make does provide unlimited taxing power, we will correct that but we do not believe it to be the case."

Deuster: "Well, I've just read the language and if you think that you or I or any of us Members can go back to our people and tell them that unlimited taxes is a narrow and peripheral concern, I think that's astounding. I do, I am pleased that you would recognize the need for polishing up the Bill in that respect or limiting the taxes. I think there may be other areas. I want to ask one question..."

Katz: "No...No... I want to answer the point you just made. I hold in my hand here House Bill 15, which is Speaker Blair's Bill and that language that we have..."

Deuster: "Wait...that's Speaker Blair's Bill, that's not my Bill."

Katz: "No, I do not mean that. All that I mean to say to you. I did not imply that it was your Bill, Mr.



Deuster. But I'm telling you that the point that you're now making with reference to our Bill is the language is taken from Speaker Blairs Bill. We have tried insofar as possible to keep the language in the major Bills because we are anxious to have the support of the Speaker and the Governor for this proposal as a compromise. But I just wanted to let you know that this is not something that we just added, that this is taken in the basic Bill that the House has just been hearing."

Deuster: "One more question, Representative Katz. In view of the fact that you...ah...apparently have consciously put this provision in here to provide broad tax power and it may be that the Transportation Authority needs a lot of money. I wonder how you justify your feeling that the people of all six counties should be subjected to unlimited taxes? At the same time you have rejected the notion that there should be a referendum. Why do you feel that that the people of all six counties should be taxed but have no opportunity to vote on it?"

Katz: "I would like to say to you that I was much impressed when I heard the distinguished President of the Senate speak on this issue. The distinguished President of the Senate said that we were elected to represent the people of our district and to represent the best interest of the people of Illinois and he said in memorable words that if the Declaration of Independence had had a referendum provision we would still be part of the British Empire. Now, I would say to you that either this is a six county area that is a natural transportation area or it is not. Now, if you have a referendum and 51 percent of the people in Lake say they don't want to be in it, they are not only adversely affecting that



51 percent; they are adversely affecting that 49 and minorities have enormous rights. And what about their children who may be more far seeing than they are? What about when we look ahead ten years and see an area stretching from the Loop all the way out to Kane County and Will County and Makena where my distinguished colleague lives and all over Lake County where ten or twenty years have passed and we are an integrated region. What about then the small minds who said, 'I will vote against a referendum because it may cost me a few bucks.' What their decision will do will doom that area to the impossibility of expanding to the needs of that area as that area grows and that is no service, I will say and a Legislator who is not willing to stick his neck out and make those decisions will end up with his constituents and their childrens interest not well served by the willingness to make that kind of judgement. Now, what I have done here and my colleagues have done is to not make an area that is an integrated area into a patchwork. We have provided representation to the people of those areas and I will point out to you, if I might, that if the federal government does not approve an area and you know that having been an official of the federal government, if we create a patchwork system there will be no federal subsidies available. You are undoubtedly aware of the very excellent provision we have which permits federal operating subsidies to be used in the six county area to enable that sales tax money to go to real estate tax abatement. But if you create in that six county area a hodge-podge a monstrosity if we permit the county of blank or the home unit of blank to vote and opt out, what kind of



transportation system will you have? It will be a crazy patchwork. Can you imagine a human body in which there is not a skeleton that has a natural scent about which a body, an organism a human being may grow. You can not have a transportation system that is not based on the simple facts of geography and the growth of that area, just as you can not have a human being functioning without a good skeletal arrangement."

Deuster: "Representative Katz. I sense that the desire of the Membership is for us to have questions and answers rather briefly and...and I will ask you just a couple of quick ones. I gather from your remarks that you have not read the Act that established that enabled the establishment of the Chicago Transit Authority to the Members of this Illinois House of Representatives in 1945 when they enacted the Metropolitan Transit Authority Act, provided for a referendum and I simply say to you, Representative Katz, because you seem to be a strong advocate of the C.T.A. and I want it to run too; that I say that if the people of the City of Chicago are entitled to vote on the creation of the Chicago Transit Authority, the people of the six counties ought to likewise have the opportunity to vote on a six county regional system and it can be an up or down vote on the region and we can have a region, we can qualify for federal funding. But I'm just saying, I don't want to discriminate against anybody. The people of Denver, Colorado, the people of San Francisco, California, the people of Atlanta, Georgia and the people of the City of Chicago have an opportunity to vote and you want to deprive the people of the six counties and I think that we ought to consider next week maybe adjusting our



positions when we consider voting on the referendum. Because I think it will enhance the possibilities of us getting off dead center an objective to which you are committed and we will have an R.T.A. and if we have a referendum on March 19, 1974, it won't cost much money. It will cost enough money to bring up an extra piece of paper and at the same time that every Member of this House, who's seeking reelection will have an opportunity to have his name on the ballot. We will have the R.T.A. on the ballot and I think that's the American way to do it and I hope that you will support the referendum proposal next week. Thank you."

Totten: "The Gentleman from Cook, Representative Schlickman."

Schlickman: "Mr. Speaker and Members of the House, I may be somewhat presumptuous if I may for the moment and deviate. I'm pleased to introduce to the Membership a very good friend of mine, State Representative, Edward Jenison. Now, Ed is a new Member of the body. Ed, by his presence in this Chamber will serve to draw the Speaker and I together. Ed, the Speaker and I were both elected to the General Assembly in the at-large election in 1964 and it's a delight to have him here and I'm wondering if we couldn't have the newly elected State Representative or newly appointed State Representative say a few words to the body."

Jenison: "Thank... Thank you so much for that courteous welcome and colleagues I arrive here with mixed feelings and I think all of you can share those with me because I have nothing but the deepest of sympathy for the problems of the man whom I'm succeeding. But if it is important for our district to have full representation then I welcome the opportunity to come back here and find so many friends on both sides of the



aisle. We're still trying to serve the best interests of all the people of Illinois. I shall try to join you in that effort. Thank you very much."

Schlickman: "Mr. Chairman...ah...Representative, I should like to welcome you to the efforts for a bipartisan solution to this most critical issue that confronts the State of Illinois --the need for Regional Transportation in the northeastern Illinois counties area. You will recall last spring there was bipartisanship, there were three Republicans and three Democrat Members of this House who got together and developed a list of criteria, a list of elements which they believed would contribute to a sound transportation system for that area. And that earlier this year a group of six Republican State Representatives in a bipartisan effort joined with Democratic, Garmisa and co-sponsorship of his Bill. Now, I've looked your Bills over and I'm struck by the fact that except for four areas and I want to go into those four areas, your Bill is identical... is identical to House Bill 15, which is Sponsored by the Speaker. Now, the four areas where there is difference...you have no referendum provision, you differ in funding, you differ in government and you do not provide for a suburban transportation corporation. I'd like to touch on only two of those, the matter of no referendum and the matter of no suburban transportation corporation and I simply would like to ask for your thoughts as to why there should not be a referendum."

Katz: "Well, Mr. Schlickman, I thought that I had spoken on the issue as to why there should not be a referendum."

Schlickman: "Oh, I'm sorry. Would you mind briefly...."



Katz: "Well, very briefly, this six county area is not an invention of the Speaker or of the Governor. This six county area is an area that people learned in democracy and statistics and knowledgeable in the development of areas has recognized for many years long predating the subject, as being a natural kind of area. And the federal government has recognized this as a natural kind of area. And as I understand what the Speaker did and what the Governor did was to simply recognize as a fact that this was an area in the same way that we recognize that today is today. It is a fact that really did not change with a vote of a majority, if you are first going to make the decision to have an intelligent, rational mass transportation system, that decision has to be made on the basis of an area an cultural characteristics. It has no relationship to whether or not a majority of the people of X county or Y city want to be separate or otherwise. So, we have to make the initial decision as to whether we want to have a rational public transportation system in the ...in the northeastern Illinois area and one that will be able to receive federal funding when that becomes available. When we have made that decision there's nothing to vote on. Because we know that this is the natural area and to set up a transportation system, that is based on popular vote, but does not comport with the reality of that as a natural area is as if we were to go outside and shake our fists at the moon. Surely we can set up a patchwork system, we can exclude blank county and we can permit the citizens of this home rule unit to opt out if we want to, but then, who are we to blame when the final product turns



out to be a patchwork? The point is, you have an initial decision to make. It is our view that that decision is one that the people of that area have long since made. They want a public transportation system and all of the polls so indicate. But, in addition to that, we can not write off the future and the welfare of the major metropolitan area of Illinois. We can not compromise the future by setting up the transportation authority that is a crazy patchwork just because somebody in some area worked hard, or some newspaper worked hard some way, that we will permit that to try to change what is a natural geographic area and so if we make our first decision to have the best possible rational public transportation system, we have to take that which is. And what we add to that is, we provide representation to all parts of that area. That's what the other major Bills don't. We provide direct representation to all parts of that area but we do not make the mistake of saying to part of that area, 'If 51 per cent of you people don't want this and are too penny pinching today, we are going to let you compromise the future development of the area.' That we do not do."

Schlickman: "In contradiction to the Speaker's Bill, House Bill 15 and the companion Bill, you do not provide for the creation of a suburban transportation corporation. Would you explain why?"

Katz: "Well, it was our feeling that R.T.A. would have the authority to do that. That we did not need a separate Bill for that purpose. The omission of it should not be taken as a determination as to whether or not the bus system in the suburban area ought to be run by a separate corporation or by the C.T.A. We really do not think that that is a



matter that it should be a political matter, it should be a transportation matter and so we would leave to the board of R.T.A., which is a bipartisan board, the determination of the most effective way to provide the various kinds of transportation. Rail, bus and so forth, but this is not a matter of great moment and I would not read too much into the fact that we did not include it."

Schlickman: "All right. Was I correct at the outset that except for no referendum, difference in funding, difference in government in the essence of a suburban transportation corporation that your Bill is identical to House Bill 15?"

Katz: "Yes, you were right and it is also right..."

Schlickman: "Thank you."

Katz: "May I finish the answer? We also pick up the two-third expenditure in each county. But it is a fact that the Blair Bill has been followed to considerable extent by the Governor's Bill. In other words, there is a common area of agreement. We have tried to make proposals in certain areas that appear to be the area that seem to be holding up agreements. It would certainly be a shame, when there is agreements on 95 per cent of the problem to end up without an R.T.A. because of the inability to agree on the other proposition and the changes that we have made are directly related to the areas where disagreement has been expressed and where we felt that a compromise position had much to be said for it and might promote the solution of this problem."

Totten: "The Gentleman from Cook, Representative Washington."

Washington: "Yes, Mr. Katz. Just two brief questions. One, dealing with the funding or phase of it, another dealing with the governors of the board, or makeup of



the board. Now aside from a compromise and I must admit that this is an artistic compromise and you're to be commended and your cohorts are to be commended for coming up with a clay type compromise. But..."

Katz: "Thank you."

Washington: "But why was it necessary to include as part of the funding a phase, the most regressive taxation known to mankind? That is the sales tax. Why was it necessary to include that for this pure artistic value of having a compromise, for the craft political reason that you felt it might attract some votes or did you lose sight completely of the fact that this sales tax is going to hit harder and I'm not preaching you a sermon because you and I know this as well as anybody, is going to hit harder upon those people who can least afford it for the altered benefit, not of the taxpayer, because the Regional Transit Authority is not for his benefit, the Regional Transit Authority is for the benefit of commercial interest in that region."

Katz: "Well, I would just say that the last thing you said, I disagree with you totally. I think that a Regional Transportation Authority is for the little fella who needs to be able to get from one point in the area to the other part of the area. In general let me say, Representative Washington, that there is perhaps an inconsistency in the position you have filed. Now, for example, if you do not go for this compromise, let us say you don't go for the compromise and let's say it all goes down the drain and nothing comes out of it. As a result of that, Representative Washington, will the sales tax be any different for those people you're talking about?"

Washington: "I can not extend to you the luxury of such



an assumption. You don't know it and I don't know it. Let's deal with the question of the regress...sensitivity of the sales tax."

Katz: "All right, I would be glad to talk about that situation. I think that the real estate tax is in my judgement, an even more regressive and even more onerous tax. I am terribly concerned, for example, about the fact that it is becoming really very difficult for people to own property and that I think a person who can not afford to own his home that that is a very, very bad thing and so we have to make choices, Representative Washington. You and I would like to be able to repeal the sales tax, to repeal the income tax to repeal the property taxes but realistically, we know that the cost of government continues and I do not see any proposal in this General Assembly that would eliminate these taxes. So what we have to do is to make choices. And the choice we face as far as the six county area is concerned, is to try to get taxes that are known to have a high and growing yield and we heard this morning, Mr. Baldino say, that the sales tax is an ideal tax from the point of view of providing funding. It grows as time grows on in it's yields, it is an ideal tax. Now, we have mixed that and really two-thirds of the funding proposal here come from the taxes the Governor proposed that are road related taxes in the six county area. We think that that is a very good mix. I do think that the General Assembly would be better off and the school children of Illinois would be better off if we could have taxes in the six county area that would put a future, be sufficient to fund R.T.A. and that is what we have tried to do. But we are not



there by indicating that we love the sales tax, we are there by indicating that we have a very strong desire that there must be an adequately funded R.T.A. and that it is our responsibility to provide adequate sources of revenue and we have come forward with a compromise proposal to try to achieve that end."

Washington: "Fine, now I think we've come to a meeting of the minds and my opposition was that the sales tax was regressive and I asked a question of why it was included and your very candid answer, and I knew what the answer would be because you're an honest person, you're very candid answer would be is because the political situation dictates that it bear part of the burden and I think we should make that very clear and I think you should make it very clear. If you had your druthers, you would probably leave the sales tax out all together. Is that what you're saying?"

Katz: "Well, I would leave all taxes out all together from intern..."

Washington: "But, which one would you rather leave out? In terms of priority, which one would you be the first to strike from this list of taxes?"

Katz: "Well, in my list of priorities, the greatest priority is to try to reduce real estate taxes in Illinois."

Washington: "That...the six county region. You're talking about downstate now, I'm talking about the six county region."

Katz: "Well... No...no... But Representative Washington, you are failing to take account of the fact that under our plan, when operating subsidies become available in the six county area, the sales tax will be used solely for the purpose of reducing real



estate property taxes in the six county area."

Washington: "If you say 'if' instead of 'when', you and I won't have any argument. Say 'if', they become available."

Katz: "Well, I will say 'if', but it is my best judgement that whether it is two years or four years or six years it is certain in my view that federal operating subsidies will come and when it does we will have taken care of the highest priority item which is tax relief in the real estate tax field."

Washington: "All right, let me go to the next political compromise."

Katz: "And incidentally, that is the wholly new feature of this compromise."

Washington: "Well let...let me go..."

Katz: "The attempt to use money for abating real estate property taxes."

Washington: "Let me go to the next political compromise, which is also a very adroitly conceived. I want to make that clear. It is a political compromise, am I not correct, to have a board consisting of ten from Chicago, five supported by the suburban members and five from the...five other northeast regions plus one chairman. That is a political compromise, am I not correct? And which you further agree that if this board were weighted in terms of the financial impact of the regions and subdivisions that the City of Chicago should have far more than 50 per cent of the members on that board. Would you agree with that?"

Katz: "As far as your latter point, since the Governor and the Speaker agreed on their relative ratio of memberships on the board and since this is a desperate situation which does not permit responsibly us to introduce new and disturbing elements, we have



made no change in the Governors and the Speaker's proposal in regards to ratio of representation."

Washington: "But there is still a thought, of which I am a member...it's a dialogue...."

Katz: "No...No... I wanted to answer your question..."

Washington: "There is a school of thought which disagrees with Speaker Blair and Governor Walker's ratio and I love that school so I don't think you should cite that as any kind of evidence that this is a viable fair board maker. Deal with the question I asked, which is simply this, Representative Katz, and I hope my questions are not coming out harsh because you know I don't mean it that way."

Katz: "No."

Washington: "What I am concerned about is, why should the people of the City of Chicago make the kind of compromise, which will in effect subject them to regional control, when in effect they are putting more into the poker pot than all these other regions put together? That's my question."

Katz: "Representative Washington, I seem to spend my life trying to find a rational, middle course. Now, you tell me that the people of Chicago are being subjected to this terrible burden. Some of my other colleagues tell me that the people of the suburbs who will be contributing the most, in terms of auto related taxes are the ones who are being..."

Washington: "But you don't..."

Katz: "May I finish? Are the ones who are being mistreated. They tell me, Representative Washington, that in terms of the gross potential, it will be in the suburban and the a-suburban area and I would say that in a sense of mature responsibility, that at the 11th hour of R.T.A., that we should accept the basic ratio that the Speaker and the Governor have



agreed upon and that we direct our attention to what is the true art of politics, which is finding reasonable solutions and compromising that does not in fact endanger the end, but insures an excellent end. Now, I want to say to you that I am not against compromise. I hope that we have compromise. I think our proposal is an excellent compromise plan. It does not do all that you want, it does not satisfy you, it does not satisfy many other people. I hope that in the last analysis, the people we satisfy are the people we represent and the people we represent will be better served by this compromise proposal than by no proposal and no law and to go again into what happened in the Spring Session and our responsible position is to come out with a meaningful Bill and that is why my fine colleagues here and I have been trying to do that."

Washington: "In conclusion let me simply say this. The choice is not this Bill or no Bill as long as reasonable men and women sit here. I want to say one other thing, that megalopolis and this is a step in the direction of megalopolis, is not and I underline not, in the best interest of the people whom I represent and you are a consistent believer that you should represent the people who send you here. I maintain it is not in our best interest, I maintain that none of these R.T.A. packages deal with the political realities of the intra-city of the City of Chicago, I think they're all bad. I am not sucked up by this tremendous pressure from the press and the media that we must have an R.T.A. when I know and I know damn well that the fundamental thrust behind the R.T.A. is not people but commercial interest."

Katz: "Well I hope, Representative Washington, that if the



R.T.A. goes down and that the people from the urban area come here and want a subsidy to continue operating the C.T.A. that they in fact find on the other side of the aisle, adequate votes to accomplish that end and to avoid the possibility that they may not, I would urge that we entertain the spirits of compromise, that we do not worry about the megalopolis, let me say to you that I have voted for Legislation that even my constituents did not want because I felt they were important to some of the people you were talking about. We are here today on a project that is of tremendous importance, the future of northern Illinois and its development depends upon it and I would urge us to try to work together to recognize that the Speaker and the Governor have come in with Bills and we do not urge that our Bill has to be the one. I would say only that there needs to be a Bill and that in the end let us not repeat in the fall the lesson of the spring."

Washington: "I admire your courage and your adroitness in putting together what I consider to be a fine political compromise which left out the interest of the intra-city of Chicago."

Katz: "I happen to be in a political world and I am very happy to come out with political compromises because that is the art of governing and the art of being, in my opinion, a Legislator who's representing his district and his area."

Totten: "The Gentleman from Cook, Representative Huskey. I ask the Members please confine their questions to specifics of the Bill and the Sponsor to answer accordingly please."

Huskey: "Representative Katz, I just have a few short questions. I...I heard the question asked of



Representative Garmisa, yesterday, if he would support the Hatch Act on his Bill, which he denied that he would. What is your stand on that?"

Katz: "Well, my stand on that is that neither the Governor's Bill nor the Blair Bill has such a provision. I do not consider it to be a high priority item and I do not propose to jeopardize an R.T.A. on the basis of a non-high priority item. To the extent that the Speaker of the House and the President of the Senate and the Governor have agreed on items, I prefer and hope my colleagues join me in believing that we should go along with that. It is in the area of difference where we try to be constructive."

Huskey: "How large a governmental unit... In other words, what you say is 'no'."

Katz: "I..."

Huskey: "How large of a governmental unit do you figure this R.T.A. would be in com... in comparison to the State of Illinois? Rating one, two, three, four or so forth? How... would you just give me a number? How large of a governmental unit would this R.T.A. be that you don't feel it's necessary to have a Hatch Act."

Katz: "In terms of the number of employees, first of all..."

Huskey: "Employees and dollars."

Katz: "Let me say to you, Representative Huskey, that our distinguished colleague, Representative Schlickman, has whispered in my ear that he thinks that there is a provision like that in the Bill and I would want to say that I am not certain of the answer. In terms of the number, I am certain, however, that in my experience, Representative Schlickman, does his homework and so it is very likely that such a provision is already in the Bill. I am not able



to know how many employees the R.T.A. will have. It will not, you recall, operate the C.T.A., for example. It is a board that is a planning kind of board and it's a top level board. I would not anticipate that it would have large numbers of employees. But I am frank to tell you that I have not studied that problem and can not give you any predictions. Now, there is, Representative Huskey, a provision that I did want to direct attention..."

Huskey: "Well..."

Katz: "Let me just answer..."

Huskey: "You're getting away from my question. I would like to have 'yes' or 'no' on my question..."

Katz: "Yes...yes, I want to answer..."

Huskey: "I'm asking you this. What size of governmental is in comparison to the State of Illinois or the City of Chicago, where would this rate in size and comparison to other governmental units in the State of Illinois? That you're creating?"

Katz: "Well it...it would cover six counties, which is a substantial part of that area. I can not tell you the number of employees. Now, Representative Huskey, in answer to your previous question, I think the language that Representative Schlickman was talking about, and may I read it to you, says and I'm looking at page 13 of our Bill, 'No discrimination shall be made in any term or aspect of employment, because of race, religion, national origin, sex or political reasons are factors.' Now, if you mean discrimination based on political reason, this is prohibited, but there is not a Hatch Act as I..."

Huskey: "I...say....I already asked that, for a Hatch Act... Would you be willing to accept a Hatch Act on your Bill? Yes or no, that's the question?"



Katz: "And the answer to that question is that I would not be willing to do so unless it were part of the major Bills. I do not want to have a Bill that would thereby lose the support of our Governor or our Speaker and I think you can understand that, Representative Huskey. I do not.... I want to have a Bill and my colleagues want to have a Bill that can get the 107 votes that I read in the newspaper is going to be required and that requires a bipartisan effort. And I do not want to include a provision that would make this Bill obnoxious to the men whom we have elected and the people have elected to leadership position. If they include it in their Bill, I would be very happy. I have no objection to hatch Acts. I do have some question that it does infringe, to some extent on the political freedom of individuals, but I would be perfectly willing, myself, if my colleagues agree, to go on with what the House does to the other Bills."

Huskey: "Now, how about my second question, Representative Katz?"

Katz: "Well, Representative Huskey, what was your second question, sir? Would you..."

Huskey: "I asked you, in comparison to the State of Illinois, the City of Chicago and so forth down the line, how large a governmental unit you're proposing..."

Katz: "I thought I had answered the question to the best of my ability..."

Huskey: "Getting back to your Hatch Act. You're...in other words, you're compromising two Bills, you feel that by...that by... You're compromising your position. Is that what you're stating?"

Katz: "We have frankly attempted, perhaps a better word is reconciled or compromises, in other words, to



reconcile the Bill that appear to be the Bill that the Governor and the Speaker respectfully have put in. We have done so on a non-partisan basis. Since neither of those Bills have provisions that relate to Hatch Act, we have not included them."

Huskey: "So, Mr....Representative Katz, I was very disturbed as I interpreted the statement that you answered to Representative Deuster. When you stated that, when he was asking on the referendum and more or less you said, well if it was 51 per cent of the vote and 49 per cent would be a minority, the 49 per cent... I was left with the impression that you were saying the 49 per cent should prevail, so therefore, you would like to shove the, take the 49 per cent and shove down the 51 per cent throats that there should be an R.T.A. because you feel the 49 per cent would be right, the 51 per cent wouldn't be right because of the sake of dollars. Isn't there any other reason that they would vote against the R.T.A. because the sake of dollars?"

Katz: "Representative Huskey, it is not that I think that the 49 per cent should prevail. It is that I think that the interest of the entire area should prevail and that the interest of the children of the 100 per cent should prevail. It is a fact..."

Huskey: "I've heard that before, that's my knowledge. I'm just stating..."

Katz: "Well, that's what I'm saying. I am not in favor."

Huskey: "But you don't believe in the referendum form of... the Democratic form of government, which you are elected to this House by?"

Katz: "Let me ask you a question, Representative Huskey. Now, one of the towns in my district is the Village of Willmette. It is a home rule unit under the Illinois



Constitution that our distinguished new Member helped draft. Do you think that the people of Willmette should have a right to have a referendum to decide whether they want to be in the R.T.A. or not? Are you consistent with your position? Will you give them the same right? What is so magic about a county that a county should have the right and a home rule unit should not? Will you extend that same right to both of them?"

Huskey: "Absolutely."

Katz: "Fine, then you will not have a Regional Transportation Authority that is worth a thing and that is precisely the point I'm making. You first have to make the decision as to whether you want to have an effective functioning Regional Transportation Authority and if you do you have to have an area that is in fact an area. A demographic area that from a professional point of view is the area that is the natural area and if you make that decision you can not use a referendum mechanism because the referendum mechanism will kill the whole idea. It will prevent your achieving the objective you start out with and that is the reason that I am for the Blair Bill 1, but I am not in favor of the referendum division in Blair Bill 2, even though I do understand the factors that did bring about that provision."

Huskey: "In other words, Representative Katz...ah... you are willing to create, I'd say, the third largest governmental unit in the State of Illinois without referendum?"

Katz: "Oh, yes, I certainly would be... I find nothing at all upon, to that...we passed tax Bills that effect the whole State of Illinois and we don't have referendums on the tax Bills. We do things all the time..."



Huskey: "One more...one more..."

Katz: "We just passed school formula Bills that effect every child in Illinois. We don't have referendums on that. I have such confidence in your wisdom, Representative Huskey, speaking on behalf of your constituents, that we are willing to accept your good judgement as to what is good for us in the future."

Huskey: "Thank you, Representative Katz. One more question and then I will...ah... You state that, what percent gas tax is your Bill limited to?"

Katz: "Five per cent."

Huskey: "Five per cent. And are you basing this on the current gasoline sale? What would that be per gallon of gas? How much would that cost the... ah..."

Katz: "It would be about two and a half cents, a little less than that but with what's happening today it certainly is going to go up and that's one of the reasons why it's a good tax because the expenses of R.T.A. are going to go up."

Huskey: "All right....all right."

Katz: "And hence it will grow with expenses."

Huskey: "Don't you feel that in these areas where we have this two and a half cent gallon cost per gallon of gas, don't you feel that these people then are going to start riding all these modern transportation systems that your Bill is going to provide and the sale of gas is going to drop tremendously?"

Katz: "I hope that they will ride these wonderful, modern trains and buses that we're going to have. It will result in much less traffic on the highway. It will result in much less pollution of the atmosphere. It will result in much less use of our precious oil, gas and energy. But..."



Huskey: "I'm talking...I'm talking dollars and cents now... I'm going to ask you one more question now."

Katz: "But, Representative Huskey, knowing the ease with which we saunter out of our house into our little old parked automobiles, you can be very sure that despite what are the enormous energy needs of the nation and the tremendous advantages of public transportation, there will be enough of us who will saunter into our little automobiles so that the R.T.A. will be adequately funded with that five per cent gas tax. But if it does discourage the use of the automobile, that is excellent. We need increased ridership in public transportation and we would indeed be serving the salutary purpose in getting people to ride public transportation."

Totten: "I'd like to remind the Members that we have about 13 more Bills yet to hear today. Including the Lottery Bills and Tax Relief Bills, so if we can keep our remarks brief. The Chair recognizes the Representative from Lake, Representative Geo-Karis."

Geo-Karis: "Mr. Speaker and Ladies and Gentlemen of the House, I am going to be brief. Point one, Section 403.03 on taxes on page 29, we didn't see that when we talked about our compromise Bill. Definitely that was drafted in error by the Legislative Reference Bureau, because I'm one of the co-sponsors of this bipartisan Bill and I do not want to see unlimited taxation. It will be corrected. Point two, I have no objection, as much as I may have to disagree with my respective colleague, Mr. Katz, I have no objection to a referendum. Point three, all we have done in this Bill is try to arrive at a sensible compromise. We are open for suggestions. I am willing to see Amendments to the Bill and for heavens sakes, let's stop making a political football. Lake



County, Will County, Kane County, DuPage County Cook County and McHenry County. Let's do some good for the people. I'm sick and tired sitting six months and spending most of my time worrying yes or no, yes or no, who's Bill it's going to be. I don't care whose Bill it is. Let's do something constructive for the whole state."

Katz: "She speaks for all of us."

Totten: "The Representative from Cook, Representative Dunn."

Dunn: "Mr. Speaker, I don't know who is more spell binding, the witness for his Bill or the previous speaker and I would say, Representative Katz, that you know from our campaigning, the respect in which I hold you and I appreciate the...the comments about the First District. I would like to say that your comments on the problem of commerce, as to whether the little people may be able to get to work is the underlying thing here and I would agree with that. I also agree very much with your point on referendum and I would hope that the Blair Bill, which I intend to support, will accept Amendments to concur with the general feelings here. The problem of transportation, as you spoke of this compromise, made me think, frankly, of probably the most imaginative transportation solution in the history of mans imagination. Which was in the times of mythology, not knowing another solution, they created a centaur, which was half man and half horse. Your compromise, Representative Katz, is ingenuous and it does bring together all of the parts. But it puts together...them together in a rather desperate way. I would...I would suggest there was another mythical figure which was a combination of plan not quite so classic and beautiful as the centaur. It was a satyr, which was clove and hoof with the head of a man and I think perhaps this compromise,



Representative Katz, in all good intention, is a little more similar to that. I think that including the sales tax, as is the element of the Blair plan, in the way that you have and watering it down to almost no effect is in fact sort of more like a fifth carbon copy, which is hardly readable in terms of its impact on the Bill; and I would suggest that because it seems, as I sit and listen that the intentions of the Sponsors of this Bill are to compromise and yet as they express themselves and as you do yourself, Representative Katz, it seems to me that you are really in spirit in favor of the intentions of the Blair Bill. And you can classically solve the problem and cut the Gordian knot by deciding to support the Blair Bill. Then we could all go home."

Katz: "My distinguished, junior colleague and your reference...and your references to mythology, I would suggest that you have perpetuated the greatest myth of all, which is that we can have an R.T.A. without compromise."

Totten: "The Representative from Peoria, Representative Day."

Day: "Representative Katz, from two years ago, a little over two years ago, this Legislature adopted a comprehensive road program for the State of Illinois which accommodated in the Transportation Bond Act an increase in sales taxes as I...or in gasoline taxes as I recall, some two or two and a half cents a gallon. And an almost doubling of automobile license fees. As I recall the purpose of those increased taxes was to retire the Transportation Act off in order to finance that comprehensive program. Now, as I understand your Bill, we would dip into those revenues to the extent that we would



take one half of the auto license fees and in the six county area we would use those fees to finance the R.T.A. and in the downstate area they would be returned to the counties for the purpose of reducing real estate taxes. Now, my question to you is, does your Bill contemplate an abandonment to the extent that it encroaches on those funds constitute an abandonment of that comprehensive road program?"

Katz: "The \$45,000,000 figure, Mr. Day, is I think, about ten per cent of the road fund and does not, in our view in any way imperil the solvency of the fund or the ability to meet it's obligation. However, let me say to you that as in this provision as in others, we are quite amenable to compromise but as we view it, it does not in any way imperil the solvency of the fund and the downstate portion would continue to go for roads downstate."

Day: "Well, as I...as I recall, the increase that we had in auto license fees and truck license fees produced almost as much money as the increase in gasoline taxes. Now, if we take...ah...one half of the auto license fees and divert them for another purpose it would seem to me that we would reduce the funds available for paying those bonds by approximately 25 per cent. And to that extent, I think that this proposal would have the overall effect of abandoning that comprehensive road program to that extent. In any event whatever...whatever money is diverted from the road fund would constitute... for R.T.A. purposes or for real estate tax reduction purposes would constitute an abandonment of the highway program to that extent. Wouldn't you agree?"



Katz: "Well, the money for the real estate tax abatement program does not come from the road fund at all. That comes from the sales tax. The road fund money in the 96 counties continues to go to the road fund. It is earmarked for purposes of use in the 96 counties. It is only in the six county area that the license fees go to R.T.A. purposes. It is our view that it is a small percentage of the road fund and would not imperil the solvency of the fund. That is our understanding. Unfortunately in order to reach agreement it is necessary to make compromises and they do have certain consequences, but in our view they really are not sufficiently waiting to justify to taking a position against this compromise program."

Day: "I think that clears that point up. Now, my last point is this. You have...ah...stated that in your opinion from the standpoint of revenue reform, your highest priority would be reduction of the real estate tax. Have you considered the fact that the 1970 Constitution mandates the Legislature to eliminate personal property taxes by 1979 and that the General Assembly has been wrestling with various Bills, most recent of which was the...ah...Bill of Representative Clabaugh to provide some \$60,000,000 to local governments to repay the personal property tax. Would you say that as we sit here today...ah...the matter of reducing real estate taxes has a higher priority than the mandate in the Constitution which we will soon be faced with in a very few years of replacing the personal property tax all together."

Katz: "Well, I just dislike choosing between my mother and my father in that way, because I agree with you that the Constitutional priority is an important one. But from the point of view of the taxpayers of



Illinois, it is my belief that they view real estate tax relief as the highest priority."

Totten: "Does the Sponsor care to close?"

Katz: "I think, Mr. Chairman, that I should express to you my appreciation for the attentiveness with which you have followed the discussion here today. I want to assure you that I and my colleagues have put in this as a bonafide effort to try to reach agreement on an R.T.A. Bill, which we think is quite...quite essential. I think that it is very easy to magnify differences and to accentuate disagreements. The need for the moment is compromise and to find a middle ground and not to throw out the baby with the bath water. I think that the interest in terms of getting an R.T.A. for the northern metropolitan area outweighs the differences that I have heard with reference to the pending Bills. And in the event that it is not possible to secure the requisite votes in the Legislature, we do not want to see a repetition of what happened in the spring and we hope that just as four Democrats and four Republicans got together here and some more Republicans and Democrats have chosen to come up and go on the Bill that we will be able to get bipartisan agreement here on the need for R.T.A. and we hope that our proposal will commend itself to you and to the Governor and to the Speaker as a fair, a reasonable and an honest attempt to come up with a good R.T.A. and they are perfectly free to utilize our provisions toward that end. Thank you very much."

Totten: "The next Bill. House Bill 7. Representative Shea. I'd like to announce that everybody be alert the next ten or fifteen minutes. There will be a man, I've given permission to take some pictures on the Floor of the House. So, all look alert."



Shea: "Mr. Chairman, may I proceed?"

Neff: "Yes, Representative Shea, if you will proceed."

Shea: "Mr. Chairman, Members of the Committee. Senate Bill... or House Bill 7 of the Third Special Session appropriates from the Transportation Bond Fund, Series A, \$40,000,000 to the Department of Transportation for use.. their use primarily in Cook County. This was inadvertently dropped from one of the Highway Bills and we are appropriating this to the Department of Transportation. That, Mr. Chairman, is the whole Bill."

Neff: "Are there any questions to Representative Shea on House Bill 7?"

Shea: "Thank you, Mr. Chairman and Members of the Committee."

Neff: "Thank you." The next Bill that will be heard is House Bill 30 by Representative Bradley." Representative Bradley."

Bradley: "Thank you Mr. Chairman. Mr. Chairman and Members of the Committee. House Bill 30 would appropriate the sum of \$547,360 or so much of...thereof that might be necessary. It would be appropriated to the Board of Regents to pay the annual principal and interest for the auditorium portion of the University Union Auditorium at Illinois State University. During the summer after our...ah...the Session ended in July, the 2nd of July, I wrote each one of you and called to your attention the fact that we had an error in Enrolling and Engrossing that deleted Amendment #4, which was this Bill and they made it Amendment #3 in the Board of Regents appropriations Bill and we lost the appropriation. I would just like to remind you that what has happened at Illinois State University is a project, an auditorium project that is combined with a student union auditorium complex, in fact that's what it's called and the students are paying a \$38.00 a semester fee to pay off



the bond, to support their part...this particular auditorium, student union complex. Now, I think that it is unfair to ask the student body to be paying a fee for something that they do not particularly gain any services from such as they expected from a auditorium...a student union complex. I would like to tell you too that this is, will not be a yearly appropriation request because we have a Bill in the House that we will address ourselves to next spring that asks for the Capital Development Bond Board to take over payments of the auditorium share of this particular complex. So that, we will not be back year after year asking for this same appropriation. I think it's a good piece of Legislation. I think we have an opportunity here to correct an error made in Enrolling and Engrossing, reduce the students in, by some \$19.00 or reduce it 50 per cent if we can pass this Bill. We have a number of people from I.S.U., a number of students that are with us this afternoon. I would like to ask the President of the Student Association, Mike McConnell, to come down. I think he has filled in a re... a witness slip and make whatever comments he would like to make regarding the, this particular piece of Legislation and then if there are any questions I'd be glad to answer them. Thank you."

Neff: "Mike McConnell."

McConnell: "Ladies and Gentlemen. With the cost of Higher Education rising all the time, part time jobs becoming more scarce and financial aid becoming more difficult to obtain, students need and would welcome financial release in any form. With that in mind, I.S.U. students are in support of House Bill 30. Specifically, there are two reasons for this belief. First, to attend I.S.U. and pay for a full years room and board and tuition



111.

a student must presently pay \$1,793. Even this figure, in light of inflationary problems, the energy crisis and the like is in danger of rising above the \$2,000 mark next year. Hence, for pure economic reasons students need the help offered by this Bill. Next, an action such as that contemplated by House Bill #30 is consistent with precedence set by this body to appropriate funds for university class facilities. The principle function of our new university union auditorium is not only to serve students but also other university groups as well as citizens of our community and the state. This building is the primary center for the performing arts in central Illinois, second only to the Krannert Center for the Performing Arts at the University of Illinois. Not only does this provide cultural attraction but it serves I.S.U. students of music and theatre as a place to practice and experience their educational interests under near ideal conditions. Both performance and technical skills are given a perfect opportunity to improve. Hence, this is an educational and cultural investment the state needs to make. For these reasons, we hope you will endorse our views and support House Bill #30. Thank you very much."

Neff: "Thank you, Mike. We have some other young folks here that aren't going to take the time of the House to testify but I would like to recognize them. We have Jack Haskell here, President of I.S.U. Association of ResidenceHalls and a member of the residencehall, Honorary Phil Trip, Vice-president of the Association of ResidenceHalls of I.S.U. and a member of the residence hall; Honorary Nick Senowith, Academy Senator, Chairman of the Senate...Student Senate Affairs Committee. I.S.U. Student Association of



GENERAL ASSEMBLY

STATE OF ILLINOIS

HOUSE OF REPRESENTATIVES

Assemblymen: George Merker, Vice-chairman of the Academy Center and member of the Student Association. Mike Keen, Public Relation officer of the Student Association and Debbie Murphy, the newspaper reporter. We appreciate you folks being here and we also appreciate not taking up the time of the House. Yes, Mr. Bradley, will you close now on 30."

Bradley: "Thank you, Mr. Chairman. I'll be very brief. I'd just like to recognize and remind...and call to your attention that we have co-sponsors on this Bill of Representative Lauer and Deavers who are also the...from the 44th Representative District. The Bill that I talked to you about, the Capital Development Bond Bill that will take over, I hope, the full funding of this particular project is co-sponsored by Representative Hoffman and myself. Gene is the...or was at the time of his sponsorship of the Bill the Alumni Chairman for Illinois State University. So, I'm just pointing this out to show we do have bipartisan support and it is an error we're correcting in Enrolling and Engrossing that brought about the necessity of this Bill and I hope that we will have everybodys support when we get to the...to passage stage. Thank you very much, Mr. Chairman."

Neff: "Thank you... The next Bill that we will call will be House Bill 32 by Representative Peters."

Peters: "House Bill 32 appropriates \$769,592 to the Board of Governors for the state colleges and universities for permanent improvements at Chicago State University, Governors State University and Northeastern University. The amount for Chicago State total is \$47,888, at Governors State \$696,679 and at Northeastern University \$23,078. The money here is an appropriation for work that is already in the process or work that has



been completed. It has been agreed to by all parties concerned here and represents really an error made in the determination of the Board of Governors budget to begin with when it went to the Governors Office.

I move do pass."

Neff: "Are there any questions? If not, thank you, Representative Peters. The next Bill that we'll hear will be House Bill 26...sponsored by Representative Craig. Representative Craig."

Craig: "Thank you, Mr. Chairman and Members of the Committee. This is the appropriation Bill which appropriates \$904,211 for personal services and \$923,120 for contractual services for Eastern Illinois University. Now, this Bill which totals \$1,800,000 was agreed upon by both Houses. The House, the Senate and the Governor but in the Conference Committee it was some way made...an error was made somewhere along the line and this money has already been obligated by the University and I don't know on...I talked to both sides of the aisle and I know of no objections and I appreciate your support, and...on this particular measure."

Neff: "All right, any questions of Representative Craig? Thank you, Representative. Do you want it... Representative Giorgi on the Floor? The next Bill we'll hear, the Representative Giorgi Bill, these will be House Bills 27 through 29. Is that right? And this is the so called Lottery Bill that some of us have heard about."

Giorgi: "Thank you fella's. No great basic changes in the Lottery Bills. Are there any questions? All right. No questions. No questions...no questions."

Neff: "Representative Miller."

Kempiners: "Representative Kempiners, Mr. Chairman. Zeke, you said there are no major changes and if I remember



correctly when your Bill was up last time on the House Floor, I asked a basic question as to how do you approach the distribution of materials, collection of money and so forth? How does your Bill approach this?"

Giorgi: "It's in the hands of the Commission and the original plan is for banks to be the holding stations, the Commission through superintendents to license ticket sellers. There will be a police check, credit check and so on. It's all in the Commission rules but the banks will be the holding stations and all the... every bank in the State of Illinois will qualify as a holding station."

Kempiners: "You didn't have this in your previous Bill, did you?"

Giorgi: "No, because the authority is all in the Commission. The Commission is the complete authority."

Kempiners: "Okay, well I object to that but I like the inclusion of at least some means of distributing the material."

Giorgi: "Well, because it's such, you know, an odd novel way of doing business, it's sort of like a private business. You can't hamstring them in any way to have a successful lottery."

Kempiners: "Thank you."

Neff: "Thank you, Representative Giorgi." The next Bill will be House Bill 31, by Representative Hanahan. Is Tom Hanahan on the Floor? Wait a second... If the Sponsor isn't on the Floor now, we'll move right along to House Bill 2 by, Sponsored by Gene Schlickman."

Schlickman: "Thank you Mr. Chairman and Members of the Committee of the Whole. House Bill 3...2. House Bill 2 of the Third Special Session is identical to House Bill 1 of the Second Special Session which



was presented to you the day before yesterday. Specifically what it does is to exempt drugs and medicines and medical supplies from the sales tax. The amount of relief that would be provided to the taxpayers of the state and those in need, the poor elderly and sick would amount to \$30,000,000. It is a companion, in this Special Session, with House Bill 3, Sponsored by Representative Walsh, Richard Walsh and I now would like to turn the podium over to him.. Thank you."

Neff: "The next Bill to be called is House Bill 3, by Representative Dick Walsh."

Walsh, R: "Mr. Chairman, Members of the Committee. House Bill 3; simply adds \$300. to the personal exemption in the Illinois Income Tax Act. The exemption as it now stands is one thousand dollars. If we increase the exemption by \$300. we will effect state general revenue by \$75,000,000. Representative Schlickman indicated that under House Bill 2, some \$25,000,000 in general revenue funds will be lost so these two Bills amount to \$75,000,000 and \$25,000,000. \$100,000,000 and this is what many of us feel is the best course to be found in the event we are to have some tax relief for the citizens of Illinois. It's important, Ladies and Gentlemen, to note that these two Bills provide tax relief for individuals and individuals only. There will be no corporate benefit, no benefit to any out of staters, visitors, conventioners in the event these Bills pass. It provides tax relief for Illinois taxpayers. I'd like to point out that this is the best way, in our opinion to provide tax relief through the Illinois Income Tax because as we all know the rates can not be changed unless we also change the corporate rate. It's, I think, unfeasable to put a deduction



a page 2 deduction in the Illinois Income Tax because if we first do that there will be cries to do it a second, third and fourth time. To provide for this increase in the exemption we are releasing the taxpayers at a time when there is a surplus such as there is at the present time according to Governor Walker and we can reduce it in time when funds are needed. This is a, a spigot approach, if you will, the \$300. that we are adding to the exemption can, in future years be reduced in the event additional funds are necessary. Thank you for your attention. I'll be happy to answer any questions."

Neff: "The next Bills will be House Bills 13 and 14 by the Honorable Clyde Choate."

Choate: "Thank you. Well thank you very much, Mr. Chairman and patient Members of the House. I will be as brief as possible, I will make an opening statement and then have Director Harvey and Dwight Gilpin of the United Auto Workers to, who desire to make a brief statement and Director Harvey will make himself available for any questions that anyone might want to ask from a technical standpoint. But I want to say to the Membership today that the Legislation that we are considering will provide, as I'm sure you will recall from the last Session of the General Assembly, \$110,000,000 in direct tax relief to every man, woman and child in the State of Illinois. This is an unprecedented slash in state taxes and it's designed to reduce the regressive and burdensome impact on individuals and I stress individuals of the taxes imposed on food products and medicine as far as human consumption. This Legislation provides immediate relief from taxes being paid this year. Not a fraction of a cent



of tax reduction that would go into effect eight months from now under provisions of other Bills as we have heard discussed here. House Bill 13 mandates the Department of Revenue to rebate a flat grant of ten dollars from the general revenue fund for every individual who has lived in the State of Illinois for at least six months on each calendar year. Under the provisions of the Bill an individual or a head of a household need only submit a grant claim to the Department of Revenue for himself and his dependents prior to May 1 of each year for grants applicable to the previous calendar year. The Department then must make grants payable...payment to all applicants prior to June 30. A typical family of five, for example, would receive \$50 in tax relief every 12 months under this Legislation. This direct tax relief would have the effect of reducing the state income tax burden of this average family by more than 40 per cent. Almost one half assuming the family had an average income of \$10,000. I think that we could look at these cash grants as a big slash in the family food and drug sales tax Bills. The same average family now spends very roughly \$100 on food and drug sales tax. The \$50 grant would reduce this tax by more than one half. I've stressed in the past that House Bill 13 provide tax relief for individuals. This is what it's all about. An individual tax relief. Mr. Chairman, I would ask that Director Hovey be the next witness as far as House Bill 13 and 14 are concerned."

Neff: "Mr. Hovey, Director of the Budget."

Hovey: "Mr. Chairman and Members of the Committee of the Whole. The Legislation before you reflects two basic and extremely important policies for the



State of Illinois. The first of those policies is that we should not necessarily spend all of the increases in revenue concurrent taxes that come by the operation of inflation and growth in the economy. To do that we have to be prepared to keep the state belt relatively tight, which is exactly what we have proposed. Second, it reflects the notion that the savings thus generated should be turned back to the taxpayers from whence they came and turned back to the taxpayers in such a way that the income effect of the state tax system will be less regressive. That is that we in effect will take a lesser burden from the poor relative to the rich. Those two concepts are reflected in the \$10 credit. I'd be happy to answer any questions that anyone may have, much of the material was covered when I last testified on other tax Legislation."

Neff: "Are there any questions to Director-Hovey? Representative Mann."

Mann: "Director, I haven't gotten one letter from my district either on the Governor's program or for that matter on any other so called tax relief program and I really don't think that...believe it or not, that there's much agitation out there in our districts for these programs. Have you gotten in the Executive a lot of response to this program?"

Hovey: "We have not received a lot of mail on tax programs directly and I think I can explain why. If you talk to, for example, a working person with a family in an income range from five to say \$15,000 he will tell you about the economic crunch that he faces and he's right. Over the last year and a half his real standard of living goes down. What he doesn't know is what causes that and



one of the things that causes that is that the bite that government is taking out of his paycheck is increasing all the time. As a percentage of his income by the automatic effects of federal and state taxes. So, he may not be in a position to see what you can see, which is what we as government have been doing to him."

Mann: "This will...will this apply to persons on public assistance? Will they be getting any money?"

Hovey: "House Bill 13 does provide for the payment without exceptions. So that persons receiving public aid would be eligible for the payment."

Mann: "Well I don't know. It seems to me that the humane welfare system would be a much better way of helping poor people than to give them a one shot sum of money which really isn't going to have a very profound effect on their standard of living."

Hovey: "Well if we were to take the approach that tax relief has to be massively large to be important we would end up with a public policy of spending all our income whether we had good projects or not. The fact of the matter to do it be adjustment, for example in the standard of living that we use for welfare is to penalize the very people of society we presumably wish to help. Namely those on the margin who make relatively low incomes but are not on the public aid roles."

Mann: "Well, you think a one shot payment of ten or twenty or thirty or forty dollars is...is going to make any real difference? Is that what you're contending?"

Hovey: "Well, take a family of four. A one shot payment of forty dollars repeated every year to infinity is a lot of money. Now, that's not as much as perhaps



as we'd like to provide or you'd like to provide. On the other hand it is clearly "\$40.00."

Mann: "I know it's \$40.00 but as far as I'm concerned it's...it's very gimmicky because it doesn't really affect, it's not going to enable them to really change, in my humble opinion, their style of living or change in any way their opportunity in the future to change their style of living. It's not that it means increased educational opportunity, it's not going to mean an ability to move into different housing. Do you know what I'm saying? I'm saying that it has about it...a gimmicky approach which may impress some voters but which I don't think is very meaningful. I think that sum of money could be better put to use in a number of different ways. How much are we talking about, for example, in the next fiscal year under this refund program? How much money are we talking about?"

Hovey: "About a hundred and eleven million."

Mann: "Well I'm sure if you and I sat down we could figure out a way of spending a hundred and eleven million dollars that would have a much more meaningful affect on the way people exist. For example, the State of Illinois, as you may or may not know, has elected under the change over with regard to the aged, blind, disabled as elected, unlike California or New York to acquire that certain persons pick up payment for Medicaid, although the whole Medicaid program was based on free care, theoretically for the aged. So why we would be maintaining these persons on aged blind and disabled on a certain level after January 1, we'll also be taxing them out of that level to pay for their Medicaid? So we'll really be reducing them. It would seem to me it would be much more meaningful in terms of their



state of being, namely their state of health in keeping them out of hospitals to continue to fund their Medicare rather than to give them this one shot of \$30 or 40 or \$50. I don't know whether you agree with that or not but."

Hovey: "Well we persistently believe in our society that when it comes to dealing with a question like public aid that income is the solution and we all consider issues of cost of living increases, for example for public aid recipients being an important issue. When we're dealing with the same kind of relatively small increases but with big dollars for the working poor, why don't we also adopt the same notion that more money will, to some degree help them get better education, better health and better housing?"

Mann: "Well, because it isn't true. Let's talk about the working poor. Under the election which the state has taken with regard to the working poor, they're also going to be penalized in that they're going to have to pay for a part of their health care after the federal take over in January. Are you aware of this?"

Hovey: "Well as I understand the H.R. 1 takeover, it relates only to the categories of the aged, blind and disabled and the bulk of our working for are not aged, nor blind, nor disabled."

Mann: "Yeah, but you're talking about 140,000

Hovey: "But, the bulk of whom are not working."

Mann: "Look, all... I guess what I'm saying to you is that if you persist in saying that this \$10.00 a person is going to have some kind of a pump-priming effect or some kind of a meaningful change in peoples standards of living or the way they perceive their futures and so forth and so on, I'd have to



say to you that in my humble opinion that that's hogwash."

Hovey: "Well, I'd just like to say this, that in this matter, as many others, perfection is the enemy of improvement and if we end up belittling, giving someone \$50.00 because we think we should give them 200 and end up giving them nothing at all we really haven't solved this problem."

Mann: "Well, I'm saying that you're giving them something because it's a politically appetizing choice. It...it... and you're holding it out as some kind of a government large....and what you're showing governmental concern for the working poor whom we surely should be concerned about other people but I don't think you really seriously think that this is an instrument of government which is going to improve the lives of working people and...as I say, if you seriously believe that then...then you and I have a real profound disagreement. I think that there are many better ways of spending \$110,000,000 in the State of Illinois. That's just one man's opinion."

Hovey: "It obviously boils down to a choice. At one point does one believe that the best person to judge the use of an individual's income is that person. And at what point does one believe that it's his government and this proposal reflects some of the notion that the money can be more effectively allocated by the individual than by state government."

Mann: "No, I would suggest to you that it represents on the contrary, a political judgement about which way of helping people is going to be more related to a particular administration credit rather than developing sound programs that are really going to change things. That's what I would submit to you."



And why should your...you know, administration be any different than the others?"

Hovey: "For what it's worth, I'd have to respectfully disagree with that."

Neff: "Gene Schlickman, you were up while ago, is Gene on the Floor? Representative Schrader."

Schraeder: "To just follow up what Representative Mann asked, am I correct in assuming that the \$10.00 per person would go to aid recipients who had no taxable income in any current year? Is that the philosophy?"

Hovey: "That is correct. The way in which the Bill is drafted, everyone would be eligible."

Schraeder: "And I am also correct in assuming that if the total income of a recipient was paid by funds from public aid and this would include everything paid in the way of taxes on drugs and medical supplies and they too would get the \$10.00 rebate without question? Am I saying...what I'm saying is then this...an additional \$10.00 that they would get as public aid recipients?"

Hovey: "Yes and no. Let me untie that question a little bit. They...the public aid recipient still does bear the burden of sales taxes except on those items that might be totally covered by Medicaid, such as prescription drugs. Nonprescription drugs, food not covered by food stamps and the like, there still is a tax burden. Now, after you pay money to a public assistance recipient, remember that the other payment that the state makes, the state, the welfare payment itself is based upon a standard of need and the standard of need basically permits the deduction out of various income sources. So that the inner action of the grant and the standard of need would in some cases, depending on the standard



of need would in some cases depending on the standard of need in the regulations reduce in part or in whole the public aid standard, even though the \$10.00 payment would be made."

Schraeder: "All right, then following through, just to make sure I'm clear on this. If an aid recipient receives no other income, excepting the payment from public aid, this \$10.00 then would be deducted on his monthly allocational...over a 12 month period."

Hovey: "I would have to say I'm not positive on that point. We tried to research it in terms of the current Illinois regulations and it wasn't really clear because the notion of a direct governmental transfer payment is not explicitly covered in the regulations which is why I'm a little vague in my answer and I'm sorry."

Schraeder: "Thank you."

Neff: "Representative Peters."

Peters: "Director Hovey, just one question. I have here a letter which was sent to Representative Ralph Dunn, signed by the Governor in response to Representative Dunn's inquiry concerning the Governor's veto of House Bill 634 and I'll read you the entire letter. It's four lines. It says, 'Dear Representative Dunn. In response to your telegram concerning my veto of House Bill 634, the Department of Revenue will administer the grant program without additional costs. The Bill would provide a \$10.00 grant every year, but could easily...be easily changed up or down every year to reflect the current fiscal condition of the state.' The first question is, I think all of us here would like to know, by what formula or what magic a new program can be administered without any additional costs? Not only for us



here but I'm sure for every governmental body from the Atlantic to the Pacific."

Hovey: "In...In communications between the Executive Branch and the Legislative Branch, the way that we normally communicate with each other on additional costs is when we say we'll do something without additional costs. We are saying to you, not that we won't do it, or that we won't mail any checks or open any envelopes, which we will obviously. But that we do not plan to request additional funds from you for the purpose of doing whatever it is."

Peters: "You are suggesting then that the Department of Revenue is adequately funded, has sufficient expertise, sufficient personnel to undertake the work they are now doing plus the additional work of administering this grant program?"

Hovey: "With the...the answer to the question basically is yes. You have in the question whether or not the Department of Revenue is adequately funded. There is another function within the Department of Revenue which we have been discussing with the Department of Revenue with respect to potential tax processing delays current system. With the exception of that function, yes."

Peters: "Well then... Well I suppose someone can end up saying that there's enough people to do this added duty that maybe you had too many before. But we won't go into that."

Hovey: "There's a possibility they might say that."

Peters: "Now this is a question in regard to the second sentence and that's the last one. 'The Bill will provide a \$10.00 grant every year but could be easily changed up or down every year to reflect the current fiscal condition of the state.' I take it by that... Am I right in taking that to mean that



this year we're talking about a \$10.00 grant, next year it might be \$15.00 and in 1976 it might be \$40.00 and then after the election it might be 42¢."

Hovey: "I don't think it would quite operate in that fashion. Legally it is a piece of Legislation that obviously could be amended with, as could for example, the other tax relief Bills that are before you. I have indicated to you by way of a certification, if you will, that we project sufficient available funds to be able to continue the program at the \$110,000,000 level indefinitely. It is obviously the case that both you and the Governor hope that the safe revenues and expenditures will work out in such a way that more tax relief can be provided in some form or another, even though you all may disagree on the form."

Peters: "Then you do see this as a beginning of an ongoing, continuing kind of program based on whatever surpluses there might be?"

Hovey: "Yes."

Peters: "If that's the case, Director, do you think that it would be more advantageous to the state, to the citizenry, to the individuals in the various departments who have to administer this, to the Legislature, to end up passing Legislation which says to the Department of Revenue, the Department of the Budget, figure out what the surplus is and figure out what we've got on income tax and when you're computing the refunds to the people, just give them whatever the surplus is."

Hovey: "I like such a provision except for one thing. That the appetites of all of us tend to cause us to propose public sector programs to use up whatever money we perceive as being available for



those programs. Now, I would be afraid that such a program would end up with the amount being zero every year."

Peters: "Director, I agree with you wholeheartedly and that's my sentiments exactly in regard to this \$10.00 refund."

Hovey: "Thank you."

Neff: "Roscoe Cunningham. Mr. Cunningham."

Cunningham: "Mr. Director, has there been any precedence for this program that you've proposed in these Bills 13 and 14. Has any other state done this?"

Hovey: "The...ah... A number of European countries have what they call family grants or demo grants that are basically tied to family size. Other states have given the equivalent thing because remember that when, for example, you had before you earlier today a Bill that would increase the exemption. Any time you increase the exemption with a flat rate tax, you are basically doing the same thing. You are providing a flat amount of tax relief, only in that case all your taxpayers, unlike this plan, which includes non-income tax payers."

Cunningham: "But, can you give us a for instance where any state of these United States in all these 200 years have given a cash dole to all of their members indiscriminately?"

Hovey: "The only program I know that is exactly of that type as to sink from doing it from the income tax which is economically the same, is I believe the Governor of New Hampshire proposed the revenue sharing to be used that way. Whether it passed or not, I'm not sure."

Cunningham: "Well does it not seem paradoxical to you



that we should be handing out money with one hand and incurring an additional debt on the other hand. The other day I asked you about the financing for the freeway construction. You remember that?"

Hovey: "Yes."

Cunningham: "And you made reference to the proposed bond issue of \$450,000,000. Would it not seem to make more sense to reduce the bond issue to \$340,000,000 and save the 110,000,000. But the argument again's such a short cut to efficiency."

Hovey: "Two arguments. One, that would probably be a substantial number of people who, if the money were not provided as tax relief, would in effect try to utilize the money for additional public programs and go ahead and bond everything they plan to bond anyhow. The second problem is that there are a number of people who do believe that the appropriate distribution of the burden of cost of constructing something like a freeway ought be not to pay it all out of tax...taxpayers, but one twenty-fifth out of this years taxpayers, one twenty-fifth out of next years taxpayers, etc. for the life of the freeway."

Cunningham: "Do you foresee any danger that the public might misconstrue this particular Bill as a blatant effort to buy political favor, to buy the votes in support of the recipients? That's not a partisan statement but hopefully it would affect both, everyone that voted for it from either side of the aisle. Can you see how the public might reach that conclusion that they were being purchased at \$10.00 for each?"

Hovey: "It's...that's something I can comment on a nonpartisan basis. It's been my experience over the



years that anytime anyone in political life proposes to do anything for people, somebody's bound to stand up and accuse him of trying to buy the people with that particular thing."

Cunningham: "Would you think it as an abandonment of caution that we have a provision that this amount couldn't be raised in election years or even preferably that there should be no distribution in election years. Or would that underscore the suspicion that we...that we suggest might be raised?"

Hovey: "The main problem with that is the legal problem because no matter what you write into the Bill you can obviously amend it in an election year. Since it's a law of your own. I would think that the way to look at that is to notice the fact that if we have money available it is a very conscious decision to commit to a tax relief plan early. The alternative, if you wanted to be political about it we'd store the money in the closet and try it out on an election year."

Cunningham: "No...no, I say from a philisophical standpoint, shouldn't there be some limitation against its abuse in election years or is that too cautious? What's your reaction?"

Hovey: "Well... I would think that if one is providing a program of this kind, one ought to plan to do it continuously without change upward or downward except when revenue permitted. Under those circumstances what you would in effect be doing is committing yourself now to a level payment and if you should choose to raise it in an election year or any other year, I think the taxpayer would be ill served by a notion of putting a ceiling on tax relief."



Cunningham: "Now, from the time that this Bill has been proposed, haven't you discovered that it is very popular and that it's popularity is similar to that of Christmas and Santa Claus. It is well received throughout the state, isn't it?"

Hovey: "I would... I would have to say the answer to that as far as I can tell is yes."

Cunningham: "And so any of us who seek reelection would be foolish to vote against it, isn't that true?"

Hovey: "That's a political judgement, which I can't make."

Neff: "Pardon me... Why does the Gentleman from Cook, Representative Maragos, arise?"

Maragos: "Mr. Chairman, point of order. I think the line of questioning does not have to do with the substance of the Bill, but only innuendos of the questioner and I think this, I raise a point of order that we should stay within the germaneness of the substance and not go around it in order to embarrass or make any political hay."

Neff: "Representative Cunningham, will you confine your remarks to the substance of the Bill?"

Cunningham: "I'm probably guilty, whatever it was he said."

Neff: "Thank you." Representative Hudson."

Hudson: "Director, I have been trying to listen attentively, but perhaps I have missed a point or two here. Do you feel, from a standpoint of business principal or even business efficiency, that it would be best to leave the money, if possible, in the pockets of the people rather than take it from those pockets, funnel it into the state coffers and then hopefully reimburse or dispense a portion of this perhaps \$10.00 one year, 20 the next 15 the next or whatever? I'm talking now from the standpoint of just plain business efficiency. If you had your



choice between the two ways of doing it, would you take this one as your proposal?"

Hovey: "On the grounds of the efficiency of any proposal that affects income, you're absolutely right in the implication of the question which is if you can do it, it is more efficient not to take it from the taxpayer in the first place. The problem comes in finding ways not to take it from the taxpayer because as I testified the other day, if you say, reduce the sales tax you provide just proportionate benefits to richer people. If you have some kind of a head tax, for example, in this state now, we'd be recommending the repeal of that tax and we would have solved the problem by getting rid of the tax rather than going with the grant structure. The next best thing is to keep administration as simple as you possible can."

Hudson: "Well, you're not saying then that it would be impossible...that it would be impossible to find means whereby we did not take the money from the people in the first place. In other words, that's not an impossible proposition if we put our thinking to the problem. Would you say?"

Hovey: "I say this, because I know of no tax that could be reduced in such a way that people would receive benefits from the reduction that would be exactly proportional to the number of people in the household since that's not the basis for any tax. The closest thing we could do would be to operate in the context of the income tax, which is in substance what you do here when you reduce one check based upon the impact of what we owe them on another check."

Hudson: "Thank you."

Neff: "Are there any other questions? We do have another



witness here. Thanks Mr...Director Harvey. Is Mr. Gilpin here? Mr. Gilpin, we'll, for the record... did sign a witness slip as a proponent on 1314. Mr. Gilpin is the Legislative Director of the United Auto Workers Union. The next Bill is House Bill 31 by Representative Hanahan."

Hanahan: "Mr. Chairman and Members of the Committee of the Whole, House Bill 31 is brought about by the appropriation method that we use in combining the administration of the School Construction Bond Act with the operations budget of the Capital Development Bond Authority. We found that in the short time of the trying to administer this appropriations that it was virtually impossible due to the fact that we couldn't...we had, we would have to segregate the time of each employee each day against the two operations and the guess work that was involved on who would pay for what employees payroll becomes almost impossible to administer. So the introduction of House Bill 31 is to bring about a consolidation with no increase in the total appropriation for the operations of the Capital Development Bond Authority. I don't know of any opposition to the Bill."

Neff: "Are there any questions on House Bill 31? Thank you, Representative Hanahan. I believe this concludes all the Bills, if I haven't made a mistake jumping around here on the Committee of the Whole. Again I want to thank the Honorable Clyde Choate. He was very kind and even though he could have been up pretty well to front to talk if he would have wished, he let everybody else go and pretty well took to last. The Chair recognizes Representative Walsh now. W. Walsh."

Walsh: "Mr. Chairman, I move that the Committee of the Whole arise and report."



Neff: "The motion is made. Representative Palmer seconds the motion. All in favor of the motion signify by the usual sign of 'aye'. Opposed same kind. Motion carries. Representative Walsh."

Walsh: "Well now, Mr. Speaker, we're in the Third Special Session and I understand that there's a Bill on Third Reading that's going to be called now. House Bill 38."

Speaker Telcser: "Okay, House Bills Third Reading. House Bill 38. House Bill 38. Will the Clerk read it a Third time? In the Third Special, Clyde. Fred Tuerk."

Clerk Aikman: "House Bill 38."

Speaker Telcser: "We got a new Clerk."

Clerk Aikman: "The Bills Amendment reenacts Section 17 to 11 as amended by Public Act 772742. Third Reading of the Bill."

Speaker Telcser: "The Gentleman from Peoria, Representative Tuerk."

Tuerk: "Mr. Speaker and Members of the House, a day or two ago, as you recall, I explained the reason for this Special Bill in the Special Session. It was to correct an inadvertent error, which we made in drafting House Bill 1406, earlier this Session which was based on the '71 statutes, rather than '72. So we're...in effect what 1406 did was invalidate portions of the statutes that the General Assembly approved in 1972. And what this Bill does is merely reenacts and I would move for a unanimous Roll Call."

Speaker Telcser: "Is there any discussion? The question is, shall House Bill 1...House Bill 38 pass? All in favor of the Gentlemans motion...all in favor signify by voting 'aye', the opposed by voting 'no'. Now, we have not established a Roll Call today. So the Clerk will call an oral Roll Call. Taking a



Roll Call vote on House Bill 38 in the Third Special Session. The question is, shall it pass. We haven't established...."

Clerk Selcke: "Alsop, Anderson, Arnell, Barnes, Barry, Beatty, Beaupre, Berman, Bluthardt, Borchers, Boyle, Bradley, Brandt, Brinkmeier, Brummet, Caldwell, Calvo, Campbell, Capparelli, Capuzi, Carter, Catania, Chapman, Choate, Clabaugh, Collins, Craig, Cunningham, D'Arco, Davis, Day, Deavers, Dee, Deuster, DiPrima, Douglas, Duff, Ralph Dunn, R.L. Dunne, Dyer, Ebbesen, Epton, Ewell, Farley, Fary, Fennessey, Fleck, Flinn, Friedland, Garmisa, Geo-Karis, Getty, Gibbs, Giglio, Giorgi, Griesheimer, Grotberg, Hanahan, Harpstrite, Hart, Hill, Hirschfeld, Gene Hoffman, Ron Hoffman, Jimmy Holloway, R. H. Holloway, D. Houlihan, J. Houlihan, Hudson, Hunsicker, Huskey, Hyde, Jacobs, Jaffe, Jenison, Emil Jones, Dave Jones, Juckett, Katz, Keller, Kelly, Kempiners, Kennedy, Kent, Klosak, Kosinski, Kozubowski, Krause, Kriegsman, Kucharski, LaFleur, Lauer, Laurino, Lechowicz, Leinenweber, Lemke, Leon, Londrigan, Lundy, Macdouald, Madigan, Mahar, Mann, Maragos, Martin, Matijevich, McAuliffe, McAvoy, McClain, McCormick, McCourt, McGah, McGrew, McLendon, McMaster, McPartlin, Merlo, Kenny Miller, Tom Miller, Molloy, Mugalian, Murphy, Nardulli, Neff, North, Palmer, Pappas, Patrick, Peters, Philip, Pierce, Polk, Porter, Randolph, Rayson, Redmond, Rigney, Rose, Ryan, Sangmeister, Schisler, Schlickman, Schneider, Schoeberlein, Schraeder, Sevcik, Sharp, Shea, Shurtz, Timothy Simms, Ike Sims, Skinner, Soderstrom, Springer, Stedelin, Stiehl, Stone, Taylor, Telcser, Terzich, Thompson, Tipsword, Totten, Tuerk, VonBoeckman, Waddell, Wall, R. Walsh, W. Walsh, Walters, Washburn, Washington, Williams, J. J. Wolf, B. B. Wolfe, Yourell, Mr. Speaker."



Speaker Telcser: "Representative Huskey...Huskey 'aye'.

All right, let's go slow now, there's a few Members here. Are you ready for some more...ah... On this question there are 116 'ayes', no 'nays', none answering 'present' and this Bill, having received the Constitutional three-fifths majority is hereby declared passed. House Bill... Senate Bills, First Reading. Now, there's a Senate Bill 21, do you have a Sponsor for that yet? Fred just told me this morning that also Senate Bill 21 is on Senate Bills First Reading and Senate Bill 21 needs a Sponsor. By error, it was not put on the Calendar."

Clerk Selcke: "Senate Bills, First Reading. Senate Bill 20. An Act to make an appropriation to the Board of State Colleges and Universities. First Reading of the Bill. They want to move this, who's the Sponsor?"

Speaker Telcser: "Do you want to move it? The Gentleman from Cook, Representative Peters. The Gentleman from Cook, Representative William Walsh."

Walsh: "Mr. Speaker, I'd like the Journal to show that the Committee of the Whole on the Third Special Session, has heard the following Bills. House Bills 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 39 and 40. The Journal so showing that, there will be a Supplemental Calendar distributed before this Session adjourns, which will hopefully be soon."

Speaker Telcser: "Okay, that will be Journalized. Representative...Representative Beaupre, for what purpose do you rise sir?"

Beaupre: "Mr. Speaker, would the Chair entertain a motion at this time in regard to two House Bills in this Session?"



Speaker Telcser: "Sure, what are your motions?"

Beaupre: "Mr. Speaker, I would like to move that the Rules be suspended in regard to House Bill 36 and House Bill 37 of the Third Special Session for the purposes of moving them to Second Reading without referral to Committee. These Bills are noncontroversial Bills. House Bill 36 is a Bill to transfer Federal Revenue Sharing funds to the Common School Fund. Giving the Governor authority to do so and House Bill 37, which is sponsored by Representative Bob Holloway is a Bill dealing with automobile in Sections which places the fees for those in Sections into the...ah...the funds available for R.T.A. I would move that the Rules be suspended and I would ask leave for the last Roll Call to be used."

Speaker Telcser: "Is that agreed? Okay, Rep...Representative Walsh, is it agreed?"

Walsh: "I agree, yes."

Speaker Telcser: "Okay, the Gentleman has asked leave for the...are there, leave for the last Roll Call. Representative Juckett, for what purpose do you rise?"

Juckett: "Well Mr. Speaker, we're...we haven't been told how much revenue...how much in revenue fund. We haven't been told whether the Governor has this power already, etc. And on Representative Holloway's Bill, we haven't been told what the Section is, what it covers. I think either we'd better have a more detailed explanation or have it go through the Committee system."

Speaker Telcser: "Representative Beaupre."

Beaupre: "Mr. Speaker, maybe it would be best if my motion were severed to include one Bill at a time then. In regard to House Bill 36, I would so move to sever the two Bills. Making the same motion in regard



to each. In regard to House Bill 36. We don't know how much federal revenue sharing funds there will be available for the federal physical assistance trust fund and so we do not know how much to appropriate. For that reason the Bill merely gives the Governor and the Bureau of the Budget authority to transfer those funds into the Common School Fund. This is a practice which...it merely is a, it continues an ongoing practice of transferring those funds to the common school fund and I believe there's agreement on both sides of the aisle that we ought to move this Bill to Second Reading."

Speaker Telcser: "The Gentleman from Cook, Representative Juckett."

Juckett: "Well, Mr. Speaker, it is my understanding that it is not an ongoing practice. That there was a specific Bill for a period of three months and that this is not just a blank check that we gave to the Governor before. And I'd like to... you know, are there any safeguards on the expenditures of the money and how much money are we talking about and if it goes into that fund, what fund isn't it going into?"

Beaupre: "Well, as I indicated, Representative Juckett, this is a continuing practice. All of the revenue sharings money has gone into the common school fund in the past. We are merely implementing and continuing the practice that has gone on in the past of transferring those funds. ...To the State Comptroller."

Juckett: "...Different Bill. There was one Bill and it transferred three months amount of money. That's the first time it's ever been done. So it's really not an ongoing practice. Now, how long is this Bill effective for?"



Beaupre: "Well, unless we appropriate the funds and give authority for the transfer by the Treasurer and the Comptroller, the money will merely sit in those funds in that fund, accumulating interest and will do the people of the State of Illinois no good whatsoever."

Juckett: "Drop the other two years? Okay."

Speaker Telcser: "Now is your motion, Jack, just for 36?"

Beaupre: "Merely for House Bill 36."

Speaker Telcser: "The Gentleman has moved to suspend the provisions of Rule 41a, I think it is, for the purpose of having House Bill 36 put on the order of Second Reading without reference to Committee. The Gentleman has asked leave for the last Roll Call. Are there any objections? Hearing none, on this question there are 116... Representative Schlickman, for what purpose do you rise, sir?"

Schlickman: "Would the Majority Leader yield for a question?"

Speaker Telcser: "What's the question?? What's the question first."

Schlickman: "Well, he's got to promise that he's going to yield first. Well I'll pose the question. I'll be reasonable. I'm looking at the Supplemental Calendar for today, Third Special Session, R.T.A. etc., and I noticed that there are certain Bills that were heard in the Committee of the Whole Hearing that are not listed. Specifically, I refer to House Bill 12. Why isn't that on the Calendar?"

Speaker Telcser: "Well wait a second. Representative Schlickman, as I listen to your inquiry, it is not related to Representative Beaupres motion, is it?"

Schlickman: "Well I thought that motion was already adopted."

Speaker Telcser: "Oh, well I have to declare it then. On this motion there are 116 'ayes', no 'nays', none answering 'present' and the Gentleman's motion to



suspend the provisions of Rule 41(a) prevails so that House Bill 36 will be on the Order of Second Reading, First Legislative Day. Representative Shea, for what... Well no, let's stick to Schlickman. Representative Schlickman."

Schlickman: "Well, I repeat my question, Mr. Chairman.

Where is House Bill 12 and its companion Bill, which I would consider to be in the same class as House Bills 4 through 6 and House Bills 10... excuse me, House Bills 15 through... 15 through 25 and House Bills 30 through 40? Are we into that eligibility issue again? And if so, what does constitute eligibility?"

Speaker Telcser: "Representative Holloway, for what purpose do you rise, sir?"

Holloway: "Mr. Speaker, Ladies and Gentlemen of the House. In regard to House Bill 37..."

Speaker Telcser: "Bob, can you hold that for a minute until we finish up with Representative Schlickman's inquiry? All right, Representative Schlickman, House Bill 12 in the Third Special Session?"

Schlickman: "Yes, and I assume House Bills 13 and 14, which I believe are companion, I'm asking. I don't understand. I'm mystified and I would expect that I could get a response, intelligent."

Speaker Telcser: "Oh, now 12 was heard yesterday?"

Schlickman: "This morning."

Speaker Telcser: "This morning?"

Schlickman: "Excuse me, it was heard yesterday. I'm sorry."

Speaker Telcser: "Yesterday, in the Committee of the Whole?"

Schlickman: "Yes, I'm being consistent."

Speaker Telcser: "Representative Shea, for what purpose do you rise?"

Shea: "Well, I would assume after looking at this Supplemental Calendar, that certain Bills have been referred to



Committee, is that correct?"

Speaker Telcser: "Representative Schlickman, House Bill 12.

Can I answer, Gene?"

Shea: "Well that's what I have specific reference to. I notice that some of the Bills on here, that do not appear, I think perhaps, if you made an announcement of which Bills were rerefered and then I'd have question about that."

Speaker Telcser: "Okay, pursuant to the Rules, House Bill ... Pursuant to the Rules, House Bills 7, 8, 12, 13, 14, 26, am I going too fast? 14, 26, 28, 29, 30, 31, 32...13 is on my list here, Representative Choate. Well, I've got 13 and 14 so 13 is in question. Who made the list up? Representative Shea, for what purpose do you rise, sir?"

Shea: "I just got Representative Garmisa asked me to find out why House Bill 12 does not appear on the Supplemental Calendar."

Speaker Telcser: "Well this is the question that Representative Schlickman put and we are now making that determination in the way of announcement."

Shea: "It appears to me, Mr.... It appears to me that there are Bills that have been left off that certainly aren't appropriation Bills and according to the rules do automatically be rerefered. Those I can understand, but the Bills that were heard in that Committee, that were not rereferred, I would assume wouldn't go on this Calendar."

Speaker Telcser: "Okay, now Representative Choate's point is well taken. 13... Jerry, listen and Clyde. 13 will be added to the Supplemental Calendar. It should not go to Appropriation. Okay? 12 goes to Appropriations. Repr..."

Shea: "Could you explain to me why 12 goes to Appropriations?"

Speaker Telcser: "Because 12 clearly spends \$60,000,000 per



year from the general revenue fund for the R.T.A."

Shea: "But, it has to be appropriated. It's not an automatic appropriation in that Bill. That is not an appropriation Bill, as you well know, Mr. Speaker. The \$60,000,000 talks about an appropriation it talks about setting up a fund, but this General Assembly, by its action would have to appropriate that \$60,000,000 every year, is that correct?"

Speaker Telcser: "Where is the appropriation Bill then for the \$60,000,000, what's the Bill number?"

Shea: "It doesn't have to be there until next spring. I don't think there's an appropriation Bill."

Speaker Telcser: "Well, we talked about it up here, Jerry, with Ted and Bud and we've all agreed that that would be the proper..."

Shea: "Well you know... I see, Representative Lechowicz says 'no'."

Speaker Telcser: "I want Ted to stay here with me. Ted can..."

Shea: "Did Representative Edgar get involved here too, or candidate Edgar."

Lechowicz: "Right, I just took care of your problem. I don't know about Jerry."

Speaker Telcser: "Ted says that 13 is out and 12 is in."

Shea: "He's turning almost Polish red up there, you understand."

Speaker Telcser: "He didn't say that at all, I'm only kidding, I'm only kidding."

Shea: "If...I'd like to find out in 12, anyplace where there's an appropriation of \$60,000,000 of state money. I don't think... I think you'll find that it talks about \$60,000,000 a year going and I think that...ah..the Speaker's Staff is sharp enough to realize that you can't put together a continuing appropriation in a piece of Legislation so that all



that you'd need is a, you'd have to appropriate every year in the mandate of that Bill and it creates a fund from which to appropriate the money. It creates an earmarked fund. But I don't think you'll find there's any appropriation within the context of House Bill 12."

Speaker Telcser: "But Jerry... Do you have the Bill here? Could we look at the Bill? The synopsis clearly says \$60,000,000."

Shea: "No, it talks about the creation of a fund."

Speaker Telcser: "Yeah, but it... But it also..."

Shea: "I'll tell you what... We'll get the Bill and let's look at it together. As Blair said, it's now, Blair-Nixon, let us reason together."

Speaker Telcser: "Blair who? I'm waiting for... The Liberal Coalition is meeting; Jerry. Blair and Katz. Representative Shea, for what purpose do you rise?"

Shea: "I know that Blair is coming out here to Speaker... to get Choate the rest of the Liberal Coalition together."

Speaker Telcser: "Okay, I think we've got it now. House Bills 7, 8, 14, 26, 28, 29, 30, 31 and 32. And as I understand it, there will be another House Bill introduced today, before we adjourn the Third Special Session, which will be #46, those Bills will be referred to the Appropriations Committee and the Chairman will make the appropriate motion to suspend the posting rules so they can be heard on Tuesday. Now 12 and 13, Senate Bill 20 also, I understand. Now 12 and 13 will go back and appear on the Supplemental Calendar, which has been passed out to you. So if you'll add 12 and 13 to the Supplemental Calendar, the Bills which have been read to you, including the one Senate Bill will be heard in Appropriations, I understand, Tuesday at 10:00. Is



that right? I think that answers your question and Jerry and Clyde... Now, Representative Washburn, for what purpose do you rise?"

Washburn: "Well, Mr. Speaker, then I would move that the appropriate Rule be suspended so that the Bills that you have just read could be heard in Appropriations Committee at 10:00 in room 212, next Tuesday and I think everyone has the list of Bills by now. 7, 8, 14, 26, 28, 29, 30, 31, 32 and 46 and Senate Bill 20."

Speaker Telcser: "Okay. Representative Borchers, for what purpose do you rise?"

Borchers: "Mr. Speaker, I would request Leave of the House that House Bill 44, Third Special Session be heard in the Appropriations Committee at 10:00 on Tuesday."

Speaker Telcser: "Representative Shea, do you wish to comment? Is that all right?"

Borchers: "I mean House Bill. House Bill, excuse me."

Shea: "I think that's a direct appropriation, as it should be heard and I think there's another one that I would make the same motion for, there was a Bill introduced... what's the number, Tom?"

Speaker Telcser: "Okay, is there further discussion?"

Shea: "I have a motion that I would like to include in that if it would be all right with Representative Washburn. House Bill 42, which is a direct appropriation. If that could also be heard along with Mr. Borchers's Bills."

Speaker Telcser: "What is..."

Shea: "These are both appropriations from the Court of Claims."

Speaker Telcser: "Is there any problem? Representative Washburn."

Washburn: "No, Mr. Speaker, they are direct Appropriation Bills and I would include House Bill 42 and 44 on my list."



Speaker Telcser: "The Gentleman from Cook, Representative William Walsh."

Walsh: "When were these Bills introduced?"

Speaker Telcser: "They're right here, Bill. They're right on the Clerk's desk. They'll be introduced and read a first time as soon as we get done with this..ah..."

Walsh: "But, do these Bills fit within the call?"

Speaker Telcser: "Well, Representative Shea, for what purpose do you rise?"

Shea: "I have been informed the the Majority staff in both the Senate and the House that this was the appropriate place to introduce these Bills because they did fit within the purview of the call on the Third... in the Third Special Session." That's why they were introduced at that juncture."

Walsh: "Well, does the Speaker...ah...Speaker, sustain that position?"

Shea: "Mr. Speaker, may I make one comment, with regard to 42 and 43? These are reimbursement claims to the County of Cook in excess of \$1,000,000 that have been allowed and they will go a long way in holding the line on property taxes. I've been informed by President Dunn, so I would hope that we'd have your cooperation."

Speaker Telcser: "The Speaker agrees, Bill, that they're in the purview of."

Walsh: "The next question is, have the Bills been read a first time?"

Speaker Telcser: "Not yet."

Walsh: "Well, if they have not been read a first time then how on earth can we refer something that is not before us, to a Committee?"

Speaker Telcser: "Okay, let's read House Bills, First Reading to satisfy the...the point, which is well taken of Representative Walsh."



Clerk Selcke: "House Bill 42. Shea. Makes an Appropriation to the General Revenue. First Reading of the Bill. House Bill 43. Gibbs. Makes an appropriation to pay certain claims of the Court of Claims. First Reading of the Bill. House Bill 44. Borchers. Appropriates \$41,400. to Frank Hubbard Electric Company. First Reading of the Bill. House Bill 45. House Bill 45. Beaupre et al. Rural Transportation Assistance Act. First Reading of the Bill. House Bill 46. Katz. First Reading of the Bill."

Speaker Telcser: "Now, the Gentleman from Grundy, Representative Washburn now moves that the provisions of Rule... Is there anything else? That the provisions of Rule 18 be suspended so that... Okay? So that the Bills which he read to us, including Representative Borchers and Shea and Katz can be heard in the Appropriations Committee next Tuesday. Leave for the last unanimous Roll Call. Hearing no objections, 116 'ayes', no 'nays'. The provisions of Rule 18 are suspended. What do you have Fred?" Committee Reports."

Clerk Selcke: "Mr. Collins, from Executive to which was referred House Resolution #4, Third Special Session, reported the same back with the recommendation the Resolution be adopted. Anything else in the Third?"

Speaker Telcser: "Representative Holloway, for what purpose do you rise, sir?"

Holloway: "Mr. Speaker, Ladies and Gentlemen of the House, I rise to ask that the appropriate Rules be waived and that House Bill 37 be moved to Second Reading. House Bill 37 was included in Representative Beaupre's motion, made some time ago and there was an objection by Representative Juckett and I understand that Representative Juckett no longer objects and for that purpose I ask leave for the last unanimous Roll



Call."

Speaker Telcser: "The Gentleman moves to suspend the provisions of Rule 31b for the purpose of having House Bill 37 sent to the Order of Second Reading, without reference to a Committee. The Gentleman has asked leave for the last unanimous Roll Call. Hearing no objections, on this question there are 116 'ayes', no 'nays'. The provisions of Rule 31a are suspended and House Bill 37 is on Second Reading, First Legislative Day. Is there any other business to come before the Third Special Session? The Gentleman from Cook, Representative Shea."

Shea: "I heard the motion made by Representative Washburn to waive the provisions of Rule 18 for the hearing before the Appropriations Committee but I didn't hear any vote or an announcement."

Speaker Telcser: "Oh sure. There was the last unanimous Roll Call, on that question was 116 'ayes', no 'nays'. There were no objections to using the last unanimous Roll Call."

Shea: "But that was waived then?"

Speaker Telcser: "It was waived and the results were announced and I'm announcing them again. 116 'ayes', no 'nays'. The provisions of Rule 18 are suspended so the Appropriations Committee can hear those stated Bills. Now, any other business to come before the Third Special Session? None? Okay, the Gentleman from Cook. Bill is this all for the Third now, before we get out? The Gentleman from Cook, Representative William... Representative Jones, for what purpose do you rise sir? Representative Washburn, for what purpose do you rise sir?"

Washburn: "Well thank you, Mr. Speaker, I think perhaps we should go through this list again to suspend the appropriated rules so that the following Bills can be



heard next Tuesday at 10:00 before the Appropriations Committee in Room 212. All right, I suspect this might be the total list. House Bills 7, 8, 14, 26, 28, 29, 30, 31, 32, 42, 44 and 46 and Senate Bill 20, 21, 22, 23, 24 and 25."

Speaker Telcser: "The Gentleman asks leave to have... You got the House Bills, First Session on your list?"

Washburn: "This is Third Session, all these are Third Session Bills."

Speaker Telcser: "What are you giving me to stick with the ah... The Gentleman has asked to suspend the provisions of Rule 18 for the purposes of hearing the Bills, which he just stated, in the Appropriations Committee at 10:00 a.m. tomorrow morning or Tuesday morning. Are there any objections to the last unanimous Roll Call? Hearing none, on this question there are 116 'ayes', no 'nays'. The provisions of Rule 18 are suspended, objection... For the purposes of hearing those Bills in the Appropriations Committee next Tuesday at 10:00 a.m. Now is there any further business to come before the Third Special Session? The Gentleman from Cook, Representative William Walsh."

Walsh: "Mr. Speaker, I move that the Third Special Session adjourn to the hour of 9:15 tomorrow, November 9, for Perfunctory Session." X

Speaker Telcser: "Any discussion? The Gentleman has moved that the Third Special Session do stand adjourned until the hour of 9:15 a.m. tomorrow morning for the purposes of a Perfunctory Session. All those in favor signify by saying 'aye', the opposed 'no'. The Third Special Session stands adjourned until the hour of 9:15 tomorrow morning, Perfunct. The Second. Oh wait a second, we'll go to Regular. Okay



HOUSE OF REPRESENTATIVES

SEVENTY-EIGHTH GENERAL ASSEMBLY

FIFTH SPECIAL SESSION - FIRST DAY

NOVEMBER 8, 1973

4:55 O'CLOCK P.M.

REPRESENTATIVE ARTHUR A. TELCSER, SPEAKER

IN THE CHAIR



GENERAL ASSEMBLY
STATE OF ILLINOIS
HOUSE OF REPRESENTATIVES

<u>Page</u>	<u>Time</u>	<u>Speaker</u>	<u>Information</u>	1.
1		Speaker Telcser		
		Dr. Johnson	Prayer (Tape failure)	
		Speaker Telcser		
2		Clerk Selcke		
		Pierce	Excused absence	
		Speaker Telcser	Resolutions	
		Clerk Selcke		
		Speaker Telcser		
		W. Walsh	Adjournment Resolution	
		Speaker Telcser	Resolution adopted	
		Choate		
		Speaker Telcser		
3		Clerk Selcke	Further Resolutions	
		Speaker Telcser		
4		W. Walsh		
		Clerk Selcke		
		Speaker Telcser		
		Clerk Selcke	Introduction and 1st Reading	
		Speaker Telcser		
		Clerk Selcke	Death Resolutions	
		Speaker Telcser	Resolution adopted	
		Clerk Selcke	Introduction and 1st Reading	
5		Speaker Telcser	Reg. Session in recess till after 3rd Spec. Session 1st Spec. Session to order	
		Clerk Selcke	Resolutions	
		Speaker Telcser		
		W. Walsh	Adjournment Resolution	



<u>Page</u>	<u>Time</u>	<u>Speaker</u>	<u>Information</u>	2.
6		Speaker Telcser	Resolution adopted 1st Spec. Session in recess	
		Shea		
		Speaker Telcser	2nd Spec. Session to order	
7		Clerk Selcke	Resolutions adopted	
		Speaker Telcser		
		Shea	Discussion	
		Speaker Telcser	Resolution adopted 2nd Spec. Session recess 4th Spec Session to order	
8		Clerk Selcke	Messages from Senate	
		Speaker Telcser	Resolutions	
		Clerk Selcke		
		Speaker Telcser	Resolution adopted 4th Spec. Session recess 3rd Spec Session in order	
9		Clerk Selcke	Resolutions	
		Speaker Telcser	Resolutions adopted 3rd Spec. Session resolved into Com-as-a-Whole	
		Neff	Com-as-a-Whole to order	
10, 11, 12, 13,		Speaker Blair	Comment	
14, 15, 16, 17,		Neff	Discussion	
18, 19, 20, 21		Choate	Point of personal privilege	
22		Neff		
		Speaker Blair		
		Neff		
23		Hirad Holder		
		Neff		
		Hill	Discussion	



3.

<u>Page</u>	<u>Time</u>	<u>Speaker</u>	<u>Information</u>
24		Neff	
		Eleanor Wolf	Chairman of the Greater Lake County Mass Transit Districts
		Neff	
25		Preston Peeden	Director of Government Affairs H.B. 15, proponent
		Neff	
26, 27, 28		Dan Baldino	Civic Federation H.B. 15, proponent
29		Neff	
		Speaker Blair	Additional information
30		Neff	
		Deuster	Questions
31, 32, 33, 34		Speaker Blair	
35		Neff	
36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46		Schlickman	Questions
		Speaker Blair	
47		Neff	
48, 49		Schlickman	Questions
		Baldino	
		Neff	
50, 51, 52, 53		Washington	Questions
54, 55		Speaker Blair	
56		Neff	
57, 58, 59		Skinner	Questions
		Speaker Blair	
60		Totten	
		Friedland	Question
		Speaker Blair	



<u>Page</u>	<u>Time</u>	<u>Speaker</u>	<u>Information</u>
61		Totten	
62		Dunn	Question
		Speaker Blair	Discussion
63		Totten	H.B. 39 and 40
		Schlickman	Questions
		Katz	Discussion
63		Totten	
64, 65, 66, 67, 68, 69, 70, 71 72		Katz	They are in Box
		Totten	
73, 74, 75, 76		Speaker Blair	
77, 78		Katz	
		Speaker Blair	
79		Totten	
80, 81, 82, 83		Deuster	Questions
84		Katz	
85		Totten	
		Schlickman	Introduction
		Jenison	
86		Schlickman	
87, 88, 89		Katz	
		Totten	
90, 91, 92		Washington	Questions
93, 94, 95, 96		Katz	
		Totten	
97, 98, 99, 100		Huskey	Questions
101, 102, 103		Katz	Discussion
		Totten	



<u>Page</u>	<u>Time</u>	<u>Speaker</u>	<u>Information</u>	5.
		Geo-Karis		
104		Katz	'She speaks for all of us'	
		Totten		
		Dunn		
105		Katz		
		Totten		
106, 107		Day	Discussion	
		Katz		
108		Totten		
		Katz	Sponsor closes	
		Totten		
109		Shea		
		Neff	Discussion	
		Bradley		
110		Neff		
		Mike McConnell	President, Student Assoc.	
111		Neff		
112		Bradley	To close	
		Neff		
		Peters		
113		Neff		
		Craig		
		Neff		
		Giorgi		
		Neff		
		Kempiners		
114		Giorgi	Discussion	



<u>Page</u>	<u>Time</u>	<u>Speaker</u>	<u>Information</u>
		Neff	
		Schlickman	
115		Neff	
		Dick Walsh	
116		Neff	
		Choate	
117		Neff	
		Hovey	Director of something?
118		Neff	
119, 120, 121		Mann	Questions
122, 123		Hovey	Discussion
		Neff in Chair	
124		Schraider	Question
		Hovey	
		Neff	
125, 126		Peters	Questions
127		Hovey	Discussion
		Neff	
128, 129		Cunningham	Questions
130		Hovey	Discussion
		Neff	
		Maragos	Question
		Neff	
		Hudson	Question
131		Hovey	Discussion
		Neff	
132		Hanahan	H.B. 31



<u>Page</u>	<u>Time</u>	<u>Speaker</u>	<u>Information</u>	7.
		Neff	Concludes Bills	
		Wm. Walsh	Move Committee as Whole arise.	
133		Neff	Motion carried	
		W. Walsh	3rd Special Session	
		Speaker Telcser		
		Clerk Aikman	H.B. 38, 3rd Reading	
		Speaker Telcser		
		Tuerk		
		Speaker Telcser		
134		Clerk Selcke	Roll Call	
135		Speaker Telcser	Passed	
		Clerk Selcke	S.B., 1st Reading	
		Speaker Telcser		
		W. Walsh	Committee as Whole shown in Journal	
		Speaker Telcser		
136		Beaupre	Motion	
		Speaker Telcser		
		Juckett		
		Speaker Telcser		
137		Beaupre	Discussion	
138		Speaker Telcser		
		Schlickman	Question	
		Speaker Telcser	Motion prevails	
139		Schlickman	Repeats question	
		Speaker Telcser		
		Holloway		



<u>Page</u>	<u>Time</u>	<u>Speaker</u>	<u>Information</u>	8.
		Speaker Telcser		
		Schlickman	Discussion	
		Speaker Telcser		
140, 141		Shea		
		Speaker Telcser	Discussion	
		Lechowicz		
142		Speaker Telcser		
		Shea	Discussion	
		Speaker Telcser		
143		Washburn		
		Speaker Telcser		
		Borchers		
		Speaker Telcser		
		Borchers		
		Shea		
		Speaker Telcser	Discussion	
		Washburn		
144		Speaker Telcser		
		Shea	Discussion	
		W. Walsh		
		Speaker Telcser		
145		Clerk Selcke	H.B. 42, etc., 1st Reading	
		Speaker Telcser		
		Clerk Selcke		
		Speaker Telcser		
		Holloway	Rule be waived	
146		Speaker Telcser	Rules Suspended	



<u>Page</u>	<u>Time</u>	<u>Speaker</u>	<u>Information</u>	9.
		Shea		
		Speaker Telcser		
147		Washburn	Repeats list of Bills	
		Speaker Telcser	Rules suspended	
		W. Walsh	Move 3rd Spec. Session adjourn	
		Speaker Telcser	Reg. Session to order	
148		Clerk Selcke		
		Speaker Telcser		
		W. Walsh		
149		Shea		
		Speaker Telcser	1st. Spec. Session	
		W. Walsh		
		Washburn	Move to suspend rules	
		Speaker Telcser		
		Clerk Selcke	Committee Reports	
150		Speaker Telcser		
		Walsh	Move 1st Spec. Session adjourn	
		Speaker Telcser	Adjourned	
		W. Walsh	Move 2nd Spec. Session adjourn	
		Speaker Telcser	Adjourned	
			4th Spec Session to order	
		W. Walsh	4th Spec. Session adjourn	
		Speaker Telcser	Adjourned	
			5th Spec. Session to order	
151		Clerk Selcke	Proclamation	
152		Speaker Telcser		
		Clerk Selcke	Resolutions	
153		Speaker Telcser	Resolutions adopted	



<u>Page</u>	<u>Time</u>	<u>Speaker</u>	<u>Information</u>	10.
		Clerk Selcke	Introduction and 1st Reading	
154		Speaker Telcser		
		Skinner	Discussion	
		Clerk Selcke		
		Speaker Telcser		
		Redmond	Move to suspend rules	
155		Speaker Telcser		
		Schlickman	Question	
		Redmond	Discussion	
156		Speaker Telcser	Motion prevails Skinner's motion prevails 5th Spec. Session adjourned	



102ND LEGISLATIVE DAY
November 8, 1973

- 9:20 A.M. - Regular Session-Rep. Telcser
9:40 A.M. - Recessed
- 9:40 A.M. - 1ST SPECIAL SESSION - 12TH DAY
Telcser
- 9:43 A.M. - Recessed
- 9:43 A.M. - 2ND SPECIAL SESSION - 9TH DAY
Telcser
- 9:45 A.M. - Recessed
- 9:45 A.M. - 4TH SPECIAL SESSION - 4TH DAY
Telcser
- 9:47 A.M. - Recessed
- 9:47 A.M. - 3RD SPECIAL SESSION - 9TH DAY
Telcser
Committee of the Whole
Clarence Neff
- 4:55 P.M. - 5TH SPECIAL SESSION - 1ST DAY
Telcser

HOUSE OF REPRESENTATIVES

SEVENTY-EIGHTH GENERAL ASSEMBLY

ONE HUNDRED SECOND LEGISLATIVE DAY

NOVEMBER 8, 1973

9:20 O'CLOCK A.M.

REPRESENTATIVE ARTHUR A. TELCSER, SPEAKER

IN THE CHAIR



GENERAL ASSEMBLY

STATE OF ILLINOIS

HOUSE OF REPRESENTATIVES

A Roll Call for Attendance was taken and indicated that all were present with the exception of the following:



HOUSE OF REPRESENTATIVES

SEVENTY-EIGHTH GENERAL ASSEMBLY

FIRST SPECIAL SESSION - TWELFTH DAY

NOVEMBER 8, 1973

9:40 O'CLOCK A.M.

REPRESENTATIVE ARTHUR A. TELCSER, SPEAKER

IN THE CHAIR



GENERAL ASSEMBLY
STATE OF ILLINOIS
HOUSE OF REPRESENTATIVES

HOUSE OF REPRESENTATIVES

SEVENTY-EIGHTH GENERAL ASSEMBLY

SECOND SPECIAL SESSION - NINTH DAY

NOVEMBER 8, 1973

9:43 O'CLOCK A.M.

REPRESENTATIVE ARTHUR A. TELCER, SPEAKER

IN THE CHAIR



GENERAL ASSEMBLY
STATE OF ILLINOIS
HOUSE OF REPRESENTATIVES

HOUSE OF REPRESENTATIVES

SEVENTY-EIGHTH GENERAL ASSEMBLY

THIRD SPECIAL SESSION - NINTH DAY

NOVEMBER 8, 1973

9:47 O'CLOCK A.M.

REPRESENTATIVE ARTHUR A. TELCSER, SPEAKER

IN THE CHAIR



GENERAL ASSEMBLY

STATE OF ILLINOIS

HOUSE OF REPRESENTATIVES

HOUSE OF REPRESENTATIVES

SEVENTY-EIGHTH GENERAL ASSEMBLY

FOURTH SPECIAL SESSION - FOURTH DAY

NOVEMBER 8, 1973

9:45 O' CLOCK A.M.

REPRESENTATIVE ARTHUR A. TELCSER, SPEAKER

IN THE CHAIR



GENERAL ASSEMBLY
STATE OF ILLINOIS
HOUSE OF REPRESENTATIVES