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- Speaker Greiman: "The hour of 12:00 having arrived, the House will be in Session. Members will be in their seats. The Chaplain for today will be Father Mike Poterucha, Pastor of St. Mary's Catholic Church of Taylorville. Father Poterucha is the guest of Representative Karen Hasara. The guests in the gallery may join us for the invocation. Father Mike."
- Father Mike Poterucha: "Let us pray. Father in Heaven. Father, what a privilege it is for us to call you that, in doing so we're reminded of the love You have for us, your children. A kind of love that forgives over and over anain. A kind of love that accepts people just the way they are. A kind of love that treats one individual as much respect and dignity as any other individual. kind of love that seeks to unite. A kind of love that call each of us to show towards each other, for we are brothers and sisters, members of one family. Your family with You as our Father. By what we say and do this day and always, may we please You and be found worthy of being called Your daughters and sons. We pray this in Your Son and our Brother Jesus Christ's name. Amen."
- Speaker Greiman: "Representative Ropp, the Gentleman from McLean, will lead us in the pledge to the flag."
- Ropp et al: "I pledge allegiance to the flag of the United
 States of America and to the Republic for which it stands,
 one Nation under God, indivisible, with liberty and justice
 for all."
- Speaker Greiman: "Roll Call for Attendance. Mr. Clerk, take the..., Mr. Pollak. There are 109 Members. Mr. Clerk, take the record. 109 Members answering to the Call of the Quorum. Mr. Piel, are there any excused absences on the Republican side?"

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- Piel: "Yes, Mr. Speaker, would the record show that

 Representative Hastert and Representative Hoffman are

 excused today?"
- Speaker Greiman: "Let the record so reflect. Mr. Matijevich, are there any excused absences on the Democratic side?"
- Matijevich: "Mr. Speaker, for the moment there are none."
- Speaker Greiman: "Alright. Thank you, Sir. Messages from the Senate."
- Clerk O'Brien: "Message from the Senate by Mr. Wright, Secretary. I am directed to inform the Speaker. House Representatives that the Senate has refused to concur with the House in the adoption of their Amendment following Bills; Senate Bill 1200, action taken by the Senate June 11. 1986. Kenneth Wright. Secretary. from the Senate by Mr. Wright, Secretary. *Mr. Speaker. am directed to inform the House of Representatives that the Senate has adopted the following Senate Joint Resolutions. the adoption of which I am instructed to ask concurrence of House of Representatives, to wit; Senate Joint Resolutions \$101 and Senate Joint Resolution \$117. adopted by the Senate June 11. 1986. Kenneth Wright. Secretary. **

Speaker Greiman: "Representative Curran in the Chair."

"Ladies and Gentlemen. I have not done this Speaker Curran: before in my four years in this General Assembly, because I have not had the occasion of so much local pride before my four years in the General Assembly. With me today is a Gentleman named Harvey Richards and, in the next couple days, Harvey Richards is going to take a trip, first, to Colorado Springs, then to Frankfurt, Germany, and then to And this Gentleman here from Springfield is going to represent the United States of America in the Goodwill Games held in Moscow next month. This Gentleman is a national champion. He is from Springfield. He is so

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at what he does that it is impossible for him to get a fight here locally. Ladies and Gentlemen, I would like to introduce to you Springfield's own, Harvey Richards."

- Harvey Richards: "Thank you. I'd like to let you know that without the training from my fellow members of my team, I wouldn't be able to participate in this here Moscow Games... the Goodwill Games. They helped me 100 percent. They want me to win the National Golden Gloves in Cedar Rapids, Iowa. And I'd like to thank them for helping me to make this here trip and the City Street Department for their support also. Thank you."
- Speaker Greiman: "Mr. Curran moves for the adoption of House Resolution 1370. All those in favor say "aye", opposed "no". In the opinion of the Chair, the "ayes" have it. And Mr. Curran, the Resolution has been adopted and... is presenting it to this young man. Mr. Parke, were you seeking recognition?"
- Parke: "Thank you, Mr. Chairman (sic Speaker), Ladies and Gentlemen of the House. I'd like to take pleasure in introducing 'Lori Beth Hayden', Niss Schaumburg and she's a candidate for the Miss Illinois competition, where last year she placed in the... as a runner... runner-up to Miss Illinois. I'd like to introduce her to the House."

Speaker Greiman: "Committee Reports."

Clerk O'Brien: "Corrected Committee Report. Representative Kulas, Chairman of the Committee on Energy, Environment and Natural Resources, to which the following Bills were referred, action taken June 12, 1986, reported the same back with the following recommendation: 'do pass as amended' Senate Bill 2231."

Speaker Greiman: "Agreed Resolutions."

Clerk O'Brien: "House Resolution 1441, offered by Representative

Hensel. Check that. House Resolution 1434, offered by

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- Representative Williamson; 1435, Williamson; 1436, Johnson; 1437, Johnson; 1438, Jack Davis; 1439, Goforth; 1440, Barger; 1441, Hensel. Also, House Resolution 1442, by Regan."
- Speaker Greiman: "The Gentleman from Lake, Mr. Matijevich, moves for the adoption of the Agreed Resolutions. All those in favor signify by saying "aye", those opposed "no". In the opinion of the Chair, the "ayes" have it. The Agreed Resolutions are adopted. General Resolutions."
- Clerk O'Brien: "House Joint Resolution 218, offered by Representative Turner."
- Speaker Greiman: "Committee on Assignment. On the Order of Senate Bills Second Reading on page 3 of the Calendar, appears Senate Bill 241. Do you wish to proceed with that, Mr. Cullerton? Mr. Clerk, read the Bill."
- Clerk O'Brien: "Senate Bill 241, a Bill for an Act to amend
 Sections of the Criminal Code of 1961. Second Reading of
 the Bill. No Committee Amendments."
- Speaker Greiman: "Are there any Floor Amendments?"
- Clerk O'Brien: "Floor Amendment #1, offered by Representative

 Cullerton."
- Speaker Greiman: "The Gentleman from Cook, Mr. Cullerton, on Floor Amendment 31."
- Cullerton: "Thank you, Mr. Speaker and Ladies and Gentlemen of the House. I would like to withdraw Amendment #1."
- Speaker Greiman: "Amendment #1 is withdrawn. Further

 Amendments?"
- Clerk O'Brien: "No further Amendment. No further Amendments."
- Speaker Greiman: "A request for a fiscal note, Mr. Cullerton, has been made on this Bill. Mr. Cullerton."
- Cullerton: "Is it... Is the fiscal note request made on the Bill or the Amendment?"
- Speaker Greiman: "It looks like both."

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Cullerton: "Well, we can eliminate one of those requests."

Speaker Grelman: "Well, you can eliminate one. Mr. McCracken."

McCracken: "Thank you. With the withdrawal of the Amendment, we'll withdraw the fiscal note."

Speaker Greiman: "The fiscal note on the Bill, as well as on the Amendment? Alright. Then the fiscal note request has been withdrawn. Third Reading. On the Order of Senate Bills Second Reading, appears Senate Bill 522. Mr. Clerk, read the Bill. Mr. Homer, do you wish to proceed with 522? Mr. Clerk, read the Bill."

Clerk O'Brien: "Senate Bill 522, a Bill for an Act to amend an Act to create the offenses of first degree murder and second degree murder. Second Reading of the Bill. No Committee Amendments."

Speaker Greiman: "Are there any Floor Amendments?"

Clerk O'Brien: "No Floor Amendments."

Speaker Greiman: "Third Reading. On page 4 of the Calendar.

Senate Bills Second Reading, appears Senate Bill 937.

Mr.... Out of the record. On the Order of Senate Bills

Second Reading, appears House Bill 943 (sic — Senate Bill

943). Mr. Nash, do you wish to proceed with that Bill?

Mr. Nash, 943. Mr. Clerk, read the Bill.

Clerk O'Brien: "Senate Bill 943, a Bill for an Act to amend the baccalaureate assistance law. Second Reading of the Bill.

Amendment #1 was adopted in Committee."

Speaker Greiman: "Are there any Motions with respect to Amendment #17"

Clerk O'Brien: "No Motions filed."

Speaker Greiman: "Are there any Floor Amendments?"

Clerk O'Brien: "No Floor Amendments."

Speaker Greiman: "Third Reading. On the Order of Senate Bills

Second Reading, appears Senate Bill 1552, Mr. Giglio. Mr.

Clerk, read the Bill."

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Clerk O'Brien: "Senate Bill 1552; a Bill for an Act to amend an Act in relation to the conducting of charitable games.

Second Reading of the Bill. Amendment #1 was adopted in Committee."

Speaker Greiman: "Are there any Motions with respect to Amendment #1?"

Clerk O'Brien: "No Motions filed."

Speaker Greiman: "Are there any Floor Amendments?"

Clerk O'Brien: "No Floor Amendments."

Speaker Greiman: "Third Reading. On the Order of Senate Bills

Second Reading, appears Senate Bill 1601. Mr. Steczo, do

you wish to proceed? Mr. Clerk, read the Bill."

Clerk O'Brien: "Senate Bill 1601, a Bill for an Act to amend

Sections of the Illinois Municipal Code. Second Reading of
the Bill. No Committee Amendments."

Speaker Greiman: "Are there any Floor Amendments? Any Floor
Amendments?"

Clerk O'Brien: "No Floor Amendments."

Speaker Greiman: "Mr. Steczo, there's been a request for a fiscal note with respect to this Bill. So, the Bill will remain on the Order of Second Reading. On page 6 of the Calendar, appears Senate... on Senate Bills Second Reading, appears Senate Bill 1799. Out of the record. On page 6 of the Calendar, Senate Bills Second Reading, appears Senate Bill 1837. Mr. Johnson, do you wish to proceed? Out of the record. On the Order of Senate Bills Second Reading on page 7 of the Calendar, appears Senate Bill 1942. Do you wish to proceed with that, Miss Pullen? Mr. Clerk, read the Bill."

Clerk O'Brien: "Senate Bill 1942, a Bill for an Act to amend the
Criminal Code. Second Reading of the Bill. Amendment &1
was adopted in Committee."

Speaker Greiman: "Are there any Motions with respect to Amendment

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#1?"

Clerk O'Brien: "No Motions filed."

Speaker Greiman: "Are there any Floor Amendments?"

Clerk O'Brien: "No Floor Amendments."

Speaker Greiman: "Third Reading. On page 7 of the Calendar. Order of Senate Bills Second Reading, appears Senate Bill 2003. Mr. Cullerton, do you wish to proceed? Out On the Order of Senate Bills Second Reading. recordappears Senate Bill 2212. Mr. Kirkland. Out page 3 of the Calendar on the Order of Senate Bills Second Reading, Short Debate, appears Senate Bill Do you wish to proceed with that, Mr. Mr. McPike. McPike. Mr. Clerk, read the Bill."

Clerk O'Brien: "Senate Bill 553, a Bill for an Act to amend the Real Estate License Act. Second Reading of the Bill. No Committee Amendments."

Speaker Greiman: "Are there any Floor Amendments?"

Clerk O'Brien: "No Floor Amendments."

Speaker Greiman: "Third Reading. On the Order of Senate Bills

Second Reading, Short Debate, appears Senate Bill 1517.

Mr. Terzich, do you wish to proceed? 1517. Mr. Clerk,

read the Bill."

Clerk O'Brien: "Senate Bill 1517, a Bill for an Act to amend

Sections of the School Code. Second Reading of the Bill.

No Committee Amendments."

Speaker Greiman: "Are there any Floor Amendments?"

Clerk O'Brien: "Floor Amendment #1, offered by Representative

Madigan and Cullerton."

Speaker Greiman: "The Gentleman from Cook, Ar. Cullerton, on Amendment #1."

Cullerton: "I don't think it would be fair to proceed with that, unless we are assured by Representative Piel that he's had an opportunity to read it, and that it's been printed and

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distributed and read by the Sponsor."

Speaker Greiman: "I'm advised that it's been printed and distributed, Mr. Cullerton. Thank you for your fairness."

Cullerton: "Okay."

Speaker Greiman: "The Sponsor..."

Cullerton: "If I could just have a few minutes to read...

actually read the Amendment myself, I would appreciate it."

Speaker Greiman: "Well, it seems to me that that belabors the point, Mr. Cullerton, but, alright."

Cullerton: "I move for the adoption of Amendment #1."

Speaker Greiman: "Do you want to explain it, Mr. Cullerton."

Cullerton: "I don't think it would be necessary. It's only a six

Speaker Greiman: "Well, Mr. Cullerton, we have a devise to take
it out of the record and come back to you, but... Mr.

McCracken, for what purpose do you seek recognition?"

McCracken: "I'm just... to ask if he would do that for a few minutes. We haven't had a chance to look at it either."

Speaker Greiman: "We will come back to you, Mr. Cullerton. We seem... We'll have enough time to probably get back to you today. On the Order of Senate Bills Second Reading, Short Debate, appears Senate Bill 1520. Mr. Ewing. Out of the record. On the Order of Senate Bills Second Reading, Short Debate, appears Senate Bill 1548. Mr. Clerk, read the Bill."

Clerk O'Brien: "Senate Bill 1548, a Bill for an Act to amend

Sections of the Illinois Police Training Act. Second

Reading of the Bill. No Committee Amendments."

Speaker Greiman: "Are there any Floor Amendments?"

Clerk O'Brien: "No Floor Amendments."

Speaker Greiman: "Third Reading. On the Order of Senate Bills

Second Reading, Short Debate, appears Senate Bill 1558.

Mr. Clerk, read the Bill."

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- Clerk O'Brien: "Senate Bill 1558, a Bill for an Act to amend

 Sections of the Illinois Vehicle Code. Second Reading of

 the Bill. No Committee Amendments."
- Speaker Greiman: "Are there any Floor Amendments?"
- Clerk O'Brien: "Floor Amendment #1, offered by Representative

 DeLeo."
- Speaker Greiman: "The Gentleman from Cook, Mr. DeLeo. Mr. Hannig, you wish it out of the record?"
- Hannig: "Out of the record."
- Speaker Greiman: "Alright. We'll take this Bill out of the record. On the Order of Senate Bills Second Reading, Short Debate, appears Senate Bill 1597. Out of the record. Yes. On the Order... On the Order of Senate Bills Second Reading, Short Debate Calendar, appears Senate Bill 1662. Hastert. Out of the record. Oh. Mr. Hastert is Out of the record. On the Order of Senate here today. Bills Second Reading, Short Debate, appears House Bill 1673 (Senate Bill 1673). Out of the record. On the Order House Bills... I'm sorry, Senate Bills Second Reading, Short Debate, appears Senate Bill 1805. Hr. Shaw. the record. Oh, Mr. Shaw, do you wish to proceed? Clerk. read the Bill."
- Clerk O'Brien: "Senate Bill 1805, a Bill for an Act in relation
 to the management of low-level radioactive waste. Second
 Reading of the Bill. Amendment #1 was adopted in
 Committee."
- Speaker Greiman: "Any Floor Amendments?"
- Clerk O'Brien: "No Motions relating to Committee Amendment #1.

 and no Floor Amendments."
- Speaker Greiman: "Third Reading. We will back up to a Bill that
 we took out of the record. On the Order of Senate Bills
 Second Reading, appears Senate Bill 1597. Mr. Clerk, 1597.
 Read the Bill."

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Clerk O'Brien: "Senate Bill 1597, a Bill for an Act to amend the
Illinois Aeronautics Act. Second Reading of the Bill. No
Committee Amendments."

Speaker Greiman: "Any Floor Amendments?"

Clerk O'Brien: "No Floor Amendments."

Speaker Greiman: "Third Reading. On the Order of Senate Bills Second Reading, Short Debate, appears Senate Bill 1848.

Out of the record. On the Order of Senate Bills Second Reading, Short Debate, appears Senate Bill 1930. Miss Wojcik. Out of the record. Oh, Miss Wojcik is here.

Okay. Mr. Clerk, read the Bill."

Clerk O'Brien: "Senate Bill 1930, a Bill for an Act to amend

Sections of the Intergovernmental Cooperation Act. Second

Reading of the Bill. No Committee Amendments."

Speaker Greiman: "Any Floor Amendments?"

Clerk O'Brien: "No Floor Amendments."

Speaker Greiman: "Third Reading. Moving Just back... up a few Bills. On the Order of Senate Bills Second Reading. Short Debate, appears Senate Bill 1520. Mr. Clerk, read the Bill."

Clerk O'Brien: "Senate Bill 1520, a Bill for an Act to amend Sections of the School Code. Second Reading of the Bill. No Committee Amendments."

Speaker Greiman: "Are there any Floor Amendments?"

Clerk O'Brien: "Floor Amendment #1, offered by Representative

Madigan and Cullerton."

Speaker Greiman: "The Gent'leman from Cook, Mr. Cullerton, on Amendment \$1."

Cullerton: "Once again. I want to make sure that this has been thoroughly reviewed by the Republican side of the aisle, just so they know that we're not trying to sneak anything over on them. Otherwise, I move for the adoption of the Amendment."

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"Perhaps, you'd like Mr. Ewing to take it out of Speaker Greiman: the record for a while. That while it would give you that opportunity. Out of the record. Mr. Ewing. We'll come back to you. On the Order of Senate Bills Third Reading. page 2 of the Calendar, appears Senate Bill 96. Mr. Nash. Out of the record. Mr. Nash? Out of the record. On the Order of Senate Bills Third Reading, appears Senate Bill 351. Miss Didrickson. Miss Didrickson in the... Out of the record, Miss Didrickson? Alright. Ωn the Order of Senate Bills Third Reading. appears 502. Mr. Davis. do vou wish it called? Mr. Clerk... Davis... you'd like it out of the record? Mr. Alright. of the record. Mr. Clerk, Consent Calendar Second Day on page 14. read the Bills."

Clerk O'Brien: *Consent Calendar Second Reading. Second Bill 1563, a Bill for an Act to amend the Juvenile Court Act. Second Reading of the Bill. Senate Bill 1705. a Bill for an Act to amend the School Code. Second Reading of the Bill. Senate Bill 1706, a Bill for Act relation to high impact businesses and various tax incentives related thereto. Second Reading of Senate Bill 1854, a Bill for an Act concerning the hunting of game and handling of aquatic life in Illinois. of the Bill. Senate Bill 1862, a Bill for an Act Reading to amend the Illinois Public Aid Code. Second Reading Senate Bill 1929, a Bill for an Act to amend an Bill. Act in relation to energy efficient storage, hot Second Reading of the Bill. Senate Bill 1993, a Bill for an Act to amend an Act relating to the Mental Health and Developmental Disabilities. of Amendment 1 was adopted in Committee. Second Reading the Bill. Senate Bill 2035, a Bill for an Act to amend the State Library Act, Committee Amendment #1 was adopted in

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Committee. Second Reading of the Bill.

Speaker Greiman: "Third Reading. For what purpose does the Gentleman from Macon. Mr. Tate. seek recognition?"

Tate: "Yes, Mr. Speaker. It was kind of noisy in the chamber, and a few minutes ago you read. I just... for the purpose of clarification, we had six Bills up, on the board that I... I didn't hear exactly what we were doing. We... They were on Consent Calendar. They were on Second Reading and we just moved them to the Third Reading."

Speaker Greiman: "Yes."

Tate: "Correct, those Bills. Now, if we would like to object to
one of those Bills on the Consent Calendar, do we have that
opportunity or what?"

Speaker Greiman: "Under the rules, you have that opportunity."

Tate: "When is the appropriate time to object? Right now?"

Speaker Greiman: "There's a form. Each side has a couple of people who knock Bills off Consent Calendars, and you might check with your leadership, Mr. Tate. But there is a form for taking it off... not on the floor... We generally don't do it on the floor, Mr. Tate."

Tate: "How many Members does it require to take a Bill off
Consent Calendar?"

Speaker Greiman: "Yes, Mr. Tate, your attention is drawn to Rule rules. both the Speaker and the Minority Under our appoint three Members, who are the designated Leader for moving and challenging the presence of a Bill Members or Resolution on the Consent Calendar. And you may check with any of those three on your side and they will be, I assume, more than happy to oblige you. Apparently, you can do it with four or more Members: however. if find that you're designees are unwilling to move that. Vinson-"

Vinson: "Mr. Speaker, if Mr. Tate would care to designate

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- whichever Bill he does not wish to appear on the Consent Calendar, as one those designees, I'd be glad to ask that it be removed."
- Speaker Greiman: "Well, alright. How about Mr. Tate turning and talking to you and not doing this on the floor. Okay? Mr. Vinson."
- Vinson: "The Bill is Senate Bill 1854..."
- Speaker Greiman: "Mr. Vinson, we have a Consent Calendar objection, if you will only come to the well..."
- Vinson: "It's right here. It's right here and it's being filed.

 Mr. Speaker..."
- Speaker Greiman: "Fine."
- Vinson: "... and I'd like you to not pass the Bill or go to it before it's filed."
- Speaker Greiman: "Mr.... Mr. Vinson, we have no Bills this morning on Third Reading Consent Calendar. We read the Consent Calendar on Second Day. You are within the time limits to remove the Bill, if you will just take the time, Sir, to file... to file it. The Clerk advises me it's filed and it will be off the Consent Calendar. And I don't know if that requires a response, but, Mr. Vinson, the Gentleman from DeWitt."
- Vinson: "Does that move the Bill to 'Short Reading Second Debate,

 First Legislative Day'?"
- Speaker Greiman: "Perhaps your syntex isn't perfect, but something like that."
- Vinson: "I was just concerned, because I know from time to time

 you think some rules are more important than others."
- Speaker Greiman: "On the Order of Speaker's Table on page 15 of the Calendar, appears House Resolution 595. The Lady from Cook, Miss Braun. Mr. Clerk."
- Clerk O'Brien: "House Resolution 595, concerns to the risks that are attached to doing business or making investments in

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foreign countries that are economically or politically unstable."

Speaker Greiman: "The Lady from Cook, Miss Braun."

Braun: "Thank Mr. Speaker. Ladies and Gentlemen of the VOII. House. House Resolution 595 suggests that our pension consider the risk attendant to investments in systems companies doing business in South Africa. particularly the developments in the country of South Africa liaht of and vesterday's Soweto Commemoration. think is that this General Assembly. appropriate bν way of Resolution, give guidance to the pension systems so that continued presence in the presence of our pension dollars is not... no longer used to support apartheid. Resolution, Ladies and Gentlemen, has been debated in part previously by this General Assembly. I say. in because, quite frankly, developments in recent months has urgency to the question of given greater Illinois's investment in South Africa and support for apartheid. Congress. right now. is considering legislation for sanctions against South Africa, known as the Anti-Apartheid It is expected to come before the House of Act of 1986. Representatives today. This Resolution seeks to give some to this... by this General Assembly that we do not support apartheid and that we put our suggest to the pension systems that our money be put where our mouth is, and that we discontinue willy-nilly haphazard unconsidered imprudent investments in South Africa. I believe that the Resolution will also give the trustees of the pension system some of the legal protection claim is necessary. So, that in their decision making, as they take the economic risks of investment in South account, they will be shielded by way of into expression by the General Assembly from any collateral

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- attack on their judgement and decision making. I am willing to answer any questions you may have about the Resolution, and encourage your support for it.
- Speaker Greiman: "The Lady from Cook, Miss Braun, moves for the adoption of House Resolution 595. And on that, the Gentleman from DeWitt, Mr. Vinson."
- Vinson: "Yes, Mr. Speaker, I wonder if the Lady would yield for questions?"
- Speaker Greiman: "Indicates she'll yield for questions."
- Vinson: "Representative, as I read the language of the Resolution, and I want to make sure that I am reading it in its current form, the consideration that you asked the investment counselors to give is to risks attached with doing business in countries that are economically or politically unstable. Is that correct?"
- Braun: "That is correct, Representative."
- Vinson: "Now, as I understand it, Mexico is currently undergoing an enormous economic crisis because of the declining price of oil and their foreign debt load. Would Mexico be covered by this?"
- Braun: "I'm sorry, Representative, you said... your question was what?"
- Vinson: "My question is with regard to Mexico. It is currently undergoing an extraordinary economic crisis because of the declining price of oil and, because of the extraordinary foreign debt load that it carries. Would Mexico be covered by this Resolution?"
- Braun: "This Resolution is specifically intended to address the situation in South Africa. But I would suggest to you, Representative, that, in any instance, it is appropriate for our investment counselors and for the people who make decisions about investments of pension funds that they take into account issues such as the instability, the

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policitical instability of a country, and particularly this case of the existence of apartheid in the civil war in that country. Obviously, a judgement has to be made and a line has to be drawn somewhere. The situation in in no way comparable to the situation that we face in South Africa. Mexico is a free country. South And so, I would suggest to you that there Africa is not. is a profound distinction between the two. between the Mexico situation that you mentioned and South Africa."

- Resolution Vinson: "But the language of the does not go to of freedom. freedom OF the absence Tt ones towards stability or their absence. economic and political Now. Resolution actually which is it that the intends target?"
- "It goes to economic stability. And guite frankly. I used Braun: term freedom and response to your question. But the issue for the investment of our pension funds is the stability of the investment. economic Surely, surely, apartheid is not a stable situation, either economically or politically. And I would suggest to you that, of the civil war in South Africa, that situation is in contra distinction of any other in the world."
- Vinson: "Alright. Now, let me draw your attention to the state

 of Israel, which some people would contend has become

 economically unstable. Would Israel be covered by this

 Resolution?"
- "Representative, it really does not serve a purpose for us Braun: to engage in a foreign policy discussion on this floor with regard to every nation in the world, in which one may in which there mav bе some internal or international disagreement or strife ٥r arablem. This Resolution very clearly, as you know and every other Hember in this House knows, pertains to South Africa. we... And

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Vinson: "Your sole purpose... Your sole purpose is the South

African situation then?"

Braun: "Yes. Sir. Yes."

Vinson: "Okay. I will tell you, represent to you, that i f you would offer an Amendment, and you could offer the Amendment right now to the document and I would support that. that would strike the language regarding economically and political instability. so that the Resolution pointed directly at South Africa and only dealt with South Africa. I would support that Amendment and I would subsequently support the Resolution. But I am not going to support a Resolution that could, by its terms and on its face, deal with Mexico or El Salvador. or for that Phillipines, particularly with the state of Israel, because somebody will come back and say that it covers that. goofy investment advisor who is prejudice against more of those countriesmight try to construe it in such a fashion."

Braun: "Thank you..."

Vinson: "And I will not support that. But if you will simply
offer an Amendment to strike the language that deals with
economic and political instability and that goes directly
at South Africa. I'll support your Amendment. I'll
support the Resolution."

Braun: "Thank you, Representative. I'm delighted to hear that, because an Amendment, such as you have just suggested was adopted to this Resolution, and the Amendment does precisely what you have suggested, and I'm delighted to have your support at this time for the Resolution."

Vinson: "Where is that... Where is that? I want to see that."

Braun: "It's right here, Representative. It's been adopted. The

Amendment specifically..."

Vinson: "Well, could you... could you have your parliamentarian

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- bring that over, so I can see a copy of what's been adopted?"
- Braun: "Well, Representative I think if you have... you don't have the document over there?"
- Vinson: "No, Sir ... Madam, I do not."
- Braun: "Oh, well, do read it because it refers specifically to
 South Africa. It refers specifically to apartheid, and
 your Majority... Minority Leader is delivering it to you
 right now."
- Vinson: "And you're saying that it strikes the language that deals with economic and political instability?"
- Braun: "Representative, you have it in front of you right now."

 You can read it and I think the language is as specific as

 it can be with regard to our intention that, we no longer

 continue to support apartheid with our pension dollars in

 the State of Illinois. And that this Resolution goes

 specifically to the situation in the... in South Africa."
- Vinson: "Okay, will you tell me where, in the Amendment that you're quoting from, where the language is?"
- Braun: "Well, I'm... I can read the whole thing, Representative Vinson, but I'm sure you can read as well as anyone on this floor, and it does precisely what you said you would support. So..."
- Vinson: "Well, that's what I'm asking you to explain to me.

 Where does it say that?"
- Braun: "Well, it... it... Representative Vinson, I can read it.

 In the "Whereas clause" or in the "Resolution clause", it strikes the language that you objected to and puts in specific language referring to South Africa and referring to the abolition of apartheid. This is an anti-apartheid Resolution, and I'm calling upon and asking for the support of every Member of this House in opposition to the horrible heinous system of apartheid by your vote on this

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Amendment... on this Resolution."

Vinson: "Okay. now here's... Okay. now in the 'Resolved clause'. think I'm reading the Amendment correctly. "Resolved clause", as I read the "Resolved clause", it 'to formulate and make public a formal statement of investment policies their thev relate ac +0 the financial consideration and assumption for risk of investments which are likely to be affected the political or economic instability of a foreign nation. especially the Republic of South Africa.* correct language that's in there right now?"

Braun: "That is correct."

Vinson: "Would you object to amending the Amendment on its face or the Resolution on its face, as it now stands amended?

So, that we take out the language after the word "investments" in line 19 prior to... up to and including the word "especially" in line 21. So, that the... what the language would then be, "assumption of the financial risk of investments in the Republic of South Africa."

Braun: "Representative Vinson, based on your earlier statement, you suggested that if I adopted an Amendment to this Resolution, which referred specifically to South Africa, you would vote for the Resolution. An Amendment, such as you indicated in your comments, has been adopted. The Resolution is in as a specific form as it could possibly be."

Vinson: "No, Representative let me..."

Braun: "I... Let me... If you don't mind, Representative Vinson."

Speaker Greiman: "Excuse me. Alright."

Braun: "It's in as specific form as it could possibly be. The language to which you refer is an enterable part of the sentence. There is no way that that sentence could be rewritten and still make sense and still do what it is that

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we intend to do. What we are saying by the Resolution is that there are special risks associated by virtue of our investments and support of apartheid, and that we are giving our pension trustees some direction in this area. I submit to you, Representative, without playing mind games or more specifically word games, that this Resolution in its present form does precisely what it is that you had asked in the beginning of this dialogue, and I would hope that you would stand by your word and vote for it."

Vinson: "I will when you honor my word. Now, what the language says is affected by the political or economical instability of a foreign nation, especially the Republic of South Africa. That does not limit it to the Republic of South Africa, and it could, by its terms, be interpreted to include countries like Israel or Mexico."

Braun: "Alright."

Vinson: "If you'll simply take out..."

Braun: "Representative Vinson, I've just talked with

Representative Bowman."

Vinson: "Yes."

"And Representative Bowman has been working with me on Braun: this issue since we first filed divestment and sanction legislation six years ago. And Representative Bowman is of that if, in deed, the only problem that you have with voting... voting an anti-apartheid Resolution of this General Assembly is the words which are likely to be affected through the word, "especially". Then we would have no problem amending the Resolution on its face. So. that the Amendment will read. 'assumption of the financial of investments in the Republic of South Africa.* it will be as specific as is humanly possible to make this Resolution."

Vinson: "You make that Amendment, I'll support the Amendment, and

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if the Amendment is adopted, I'll support the Resolution."

Speaker Greiman: "Alright..."

Braun: "I move to..."

Speaker Greiman: "Does the... Does the Lady have leave to provide that Amendment on its face? Leave. Leave is granted, and the Amendment will be so amended. Mr. Parliamentarian, would you retrieve the original document? Alright. Now, on the Resolution, as amended, and precisely the Amendment was amended on its face, the Gentleman from Livingston, Mr. Ewing."

Ewing: "Mr. Speaker, I wonder if the Sponsor would yield?"

Speaker Greiman: "Indicates she'll yield for questions."

Ewing: "Representative, what affect will this Resolution have, if adopted? What... Is it legally binding on the investors, or just what is it's legal affect, if we adopt this?"

Braun: "Representative, if I didn't know in my heart and mind that you know the answer to this question already, I would be perplexed that you put it. However, as you well know, Resolutions by this General Assembly are not legally binding, have not the force it affect of law. However, they do function as an expression of the will of this General Assembly in providing guidance to whomever the Resolution is directed, and that is the force... that is the affect of this Resolution.

Ewing: "Well. Representative. I • m not certain 1--that Resolution's... the question... I'm glad you enlightened me with your answer, and I think it's very important that that be a part of the record of this Body's deliberation that anybody voting for that is misunderstanding that this has or doesn't have We do know that Resolutions passed by this General Assembly have a great deal of weight or bearing on the actions, which are taken by some of the bureaucracy which

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operates as State Government is that correct?"

Braun: "That is correct and, Representative Ewing, for your information and anyone else. I would point out that that the pension systems have themselves already considered this issue, and have themselves, bν internal discussion and memoranda. reached the Same conclusion, as has been put in this Resolution. So. this Resolution has the effect of giving guidance, but at the same time, with regard to that guidance, the pension have, by voluntary action themselves, as result of meetings that were held this last year, undertaken consider the risks of South African involvement of pension fund dollars."

Ewing: "Has this Resolution been considered by the Pensions

Committee or any other Committee of the House?"

Braun: "Yes."

Ewing: "What Committee did it go to?"

not go to the Pension Committee. Braun: "This did This Resolution. in its present form. went through the Urhan Redevelopment Committee. However, the Pension Committee did have conjunction. in under the auspices Wolf. we did have Representative meetings. informal albeit. But did have meetings with Representatives of the Pension Systems regarding this issue."

Ewing: "It went to what Committee?"

Braun: "Urban Redevelopment."

Ewing: "Urban Redevelopment. What possible relationship is there between the investment of our Pension Funds and urban redevelopment. Would it be that that was a friendlier Committee?"

Braun: "Representative, I'm glad you asked me that question."

Ewing: "Well, I'm glad you're going to answer it."

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Braun: "The fact of the matter is, and in all seriousness, fact of the matter is that, when we use pension... pension dollars to support apartheid, we take those dollars from supporting Illinois industry and supporting Illinois business and supporting Illinois workers. We wind paying money for slave labor, as opposed to union labor or nonunion labor, as the case may be here in Illinois. Нe have seen the affect time and time again of companies making decisions to spend dollars in South Africa. which support apartheid, which continue the racial segregation in that country, which continue the oppression in that country the same time shutting down operations in our own state. Without naming a specific company, within the last there was a company here in Illinois that several vears. laid off some 1500 workers here in Illinois. at the time they were expanding their operations in Praetoria. Ŧ would submit to you, Representative, that this is an goes to the heart of the Illinois economy. not only with regard to the protection of the pensioners. also with regard to the protection of the interest of all Illinois citizens in the use of their tax dollars and with regard to the protection of the interest of Illinois workers."

Ewing; "Who is the Chairman of the Urban Redevelopment Committee?"

Braun: "I believe that's in the book, Representative."

Ewing: "Well, I..."

Braun: "Representative Younge is..."

Ewing: "I don't have that in front of me."

Braun: "Representative Wyvetter Younge is the Chairman of the

Ewing: "And, you know, Representative, you're very defensive.

I'm very surprised. If we ask a question, you have a

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legitimate Resolution. I would appreciate your not being quite as defensive on this."

Braun: "Oh, Rep... I'm not defensive, Representative, at all.

I'm just surprised that a Gentleman of your tenure and experience in this General Assembly would ask me questions that you already know the answer to."

Ewing: "Well, things change so much in this General Assembly depending on who's the Speaker and who's in control.

Normally, I can't help but believe that a matter like this should've been considered by the Pensions Committee and not by the Urban Redevelopment. I happened to be involved with the pension's question. I think it's an important one. I think the security of our pension system is very important. I don't think that I care to trust that to an Urban Redevelopment Committee."

Speaker Greiman: "The Gentleman from Cook, Mr. Bowman."

Bowman: "Thank you. Mr. Speaker. Ladies and Gentlemen of the House. I'd like to get this debate back on track so we can talk about the substance. rather than discussing which Committee the legislation went to. I would like tο reassure that the last Gentleman that the issue will end with the Resolution, but, in fact, we will continue to introduce legislation, because there are many reasons we should withdraw our investments from the nation of South One of them is a moral question, and that question Africa. specifically addressed by this Resolution. This is not Resolution addresses primarily the safety issue. The question of whether these investments are secure. That is what we are trying to get the agencies of State Government, who invest these funds to be concerned with. reasons, and I feel that this particular Resolution is timely and it is appropriate, that we heard testimony the Appropriations Committee from the representatives of

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the Teachers' Retirement Plan, and they said that they've even discussed the issue. That it's just not an issue that has come to their attention. Now, I find that shocking, because you can hardly pick up a newspaper on any given day and not read something about the tragedy in South Africa. And I'm surprised that they have not made the connection in their own minds between that tragedy and the safety of their investments. But it seems to me that this General Assembly should speak to that question and should these agencies to consider it in So, I believe considering deliberations. the testimony, that we have heard in the Appropriations Committee related to such matters, that this is a very timely Resolution and a very appropriate Resolution, and I urge its adoption."

Speaker Greiman: "The Gentleman from Madison. Mr. Wolf."

Wolf: Mr. Speaker, Members of the House. I rise in "Thank you, support of House Resolution 595. I think it's only that those individuals having appropriate the care. of pension funds should give custody, control everv the social and economic unrest in the consideration to countries to which that money might divert it ... I urge support of the Resolution." diverted.

Speaker Greiman: "The Gentleman from Marion, Mr. Friedrich."

Friedrich: "Would the Sponsor yield? Would the Sponsor yield?"

Speaker Greiman: "Indicates she'll yield for questions."

Friedrich: "Aren't the people who handle the pension plan, subject to the Prudent Man Act, the same as trust companies?"

Braun: "Yes, Sir."

Friedrich: "Do you know of any criticizm that any bank has had in

Illinois, for example, by the trust examiners or having

invested in trust funds in South Africa?"

Braun: "Well, when you asked the question, I was going to say,

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Representative, I wouldn't want to make an analogy with the trust companies. I have not studied the cases specific to trust companies. But I can say to you that, 'yes, our investors are bound by the Prudent Han Rule and, yes, Representative, there has been intense criticizm, even at the level of the Federal Congress, in fact, the Federal Congress has passed legislation.' There's been intense..."

Friedrich: "I'm not concerned about what Congress did. I'm just asking, under the Prudent Man Rule, has there been criticizm of trust companies or other trust officers or pension plan people who are bound by the Prudent Man Rule for having invested in South Africa?"

Braun: "Yes."

Friedrich: "The banks have?"

Braun: "Yes, it has been..."

Friedrich: "The banks..."

Braun: "There has been criticizm for..."

Friedrich: "The banks have?"

Braun: "... of banks. Some of the banks have even decided to pull out."

Friedrich: "Then why... Then my question is, why is this necessary, if they're bound by the Prudent Man Rule, to tell... for us to sit here and say you can't do it because they're already regulated?"

Braun: "I would suggest to you that in part one of the... one of the real reasons for this Resolution, Representative Friedrich, is to give some protection to any trust, any investors who may even entertain a question any longer, that a... and investments in South Africa may be considered to be prudent investments. It gives some guidance to them, so that if they decide to divest, if they decide to put those investments elsewhere into safer more productive investments, they will be protected in their decision

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making."

Friedrich: "Well, number one, I haven't found that trust examiners need much guidance. They'll lean on you anytime you're out of line anyway. But why don't we include in that banks and trust companies, as well as, pension plans, everybody else that we deal with in the State of Illinois. Why don't we tell the trust companies they can't? Why don't we tell everyone that's under the Prudent Man Rule they can't? Why are we picking on our pension funds?"

Braun: "Well. Representative, two parts of the... my answer to vour question. The first is that if you want to file Resolution to do that, I would be delighted to examine it for purposes of deciding whether to support it. with regard to this specific Resolution. this goes to public... public... it goes to pension funds for which owe, I think, a special obligation to the pensioners in this state. We owe a special obligation to people who depending on those pension investments that we will not fritter away their money. They will not..."

Friedrich: "Okay."

Braun: "... imprudently invest their money, and more specifically, that we will not subject their money to the possibility, the very real possibility of total loss with the collapse of the South African Apartheid Regime."

Friedrich: "Mr. Speaker, to the Resolution."

Speaker Greiman: "Proceed, Sir."

Friedrich: "I have no sympathy for apartheid, but what we do we single out... it always comes from the same place over there. We start leaning on South Africa, and I have no problem of leaning on them. But why don't we lean on the Russians and the... and what their doing in Afghanistan, what they're doing in their own country to Jews and other people. Why don't we lean on all these people around the

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world that are persecuting people and just take the whole If we're against this kind of thing, let's be against it all the way, not just pick out one country and I'm surprised let one bunch of sponsors pick their people. that the Jewish group here has notpicked on Russia because they're certainly persecuting and murdering the Jews in Russia now, but we don't do that. We pick on South Africa over and over and over again. If we're going to be against this kind of thing, let's be against it for the whole world."

"Okav. The Gentleman from Cook, Mr. Preston." Greiman: Preston: "Thank you. Mr. Speaker and Ladies and Gentlemen of rise in support of the Lady's Resolution, House House. Resolution 595. I can't understand for the life of me in God's name this Resolution is being subjected to such an debate, when the terms of it are so clear and the evil that it addresses is also so clear. What we are seeing in South Africa is not merely the evil of apartheid. That in itself is reason enough to support this Resolution. But what we are seeing in South Africa is a denial of every single liberty that free people in this world and certainly in this country know of. We see censorship. incarcerated for violating laws that are made on the spot by police officers. You know, news people in South Africa being subjected to incarceration to jail sentences and being, thereafter, thrown out of the country for writing article that is critical of South Africa. And what is determined to be critical of the government of South Africa is in the mind of the police officer who on the spot decides that arrest. to make These are the grossest denials of liberties that any of us can imagine, far beyond the obvious evil of apartheid of separation of the races by law. This goes... not only is that bad, this goes all that

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further. It is morally unconscionable to investment monies to businesses that deal in South Africa, even if those investments are the soundest investments and the most profitable investments in the world. He have obligations to our children and to their children to after them not to support this kind of repression anywhere in the world. And the previous speaker who talked about other countries. I agree with him. There are denials of liberties in other countries that should also be addressed. But we're talking right here of the denial of liberty that is of most moment in the world. The written about, publicized and exposed repression in South Africa. all this Resolution addresses. It should pass with all the votes in this House, and I urge your support."

Speaker Greiman: "The Gentleman from Lake, Mr. Churchill."

Churchill: "Mr. Speaker, I rise on a point of order."

Speaker Greiman: "Yes, Sir, State your point, Sir,"

Churchill: "Yes. a moment ago. I went off the floor of the House to go down to Representative Capparelli's office and nick up mv baseball uniform. I returned and I found a piece of paper on my desk, and I noticed that some of the other desks have this same piece of paper on there. It's a white sheet of paper with something that looks like it's It's entitled, 'A New Comedy photocopied on the paper. Trio for the Democrats. It talks about the... what call the three stooges of local politics Adlai. Eddie and Mike. And I noticed that it has some things in here about Speaker that are not very complimentary, such as, the

fact that he says there..."

Speaker Greiman: "Mr.... Mr. Churchill."

Churchill: "My point is, Mr...."

Speaker Greiman: "Make your point, Sir. State your point."

Churchill "Mr. Speaker, I just wondered if this was done with

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your knowledge and acquiescence, or if we have somebody passing this around $\bullet \bullet \bullet$ or

- Speaker Greiman: "Mr. Churchill, obviously somebody has chosen to violate the rules. However, we are at this moment debating a matter which is of some consequence. Your point is well taken. Whoever distributed that was in error and violates our rules, and they are admonished. And now, let us proceed with this debate, Sir. The Gentleman from Cook, Mr. Terzich."
- Terzich: "Representative Braun, on your Resolution does... I
 assume the Resolution deals with the investment of pension
 funds, because that wasn't really explained about the
 Resolution. You mentioned why you want the Resolution
 adopted, but what does it specifically stipulate with
 regard to the pension funds?"

Braun: "Thank you. Representative Terzich, I'm glad..."

Speaker Greiman: "She'll yield for questions."

Braun: "I'm glad you asked that question, because I think for you and for every other Member of this General Assembly I want you to be very clear about what it is that we are being called upon, what I'm asking you to support. The first paragraph of the Resolution says, *Whereas, the Republic of South Africa is the only country in the world today where racial segregation and inequality are written into the constitution and laws. And I don't think, frankly, there can be any disagreement about that "Whereas" statement. is a fact. 'And Whereas, this system of apartheid results in the political and social oppression of the majority of South Africa and is responsible for a monstrous degree of malnutrition, unemployment and suffering among the black Again, I say to you that is clear, that is proven and there can be no debate about that section. Whereas, the continued existence of apartheid is made

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through the vigorous, vigilance and vicious possible only violence of a government which continues to deprive people of all basic human rights. And again, I don't think there can be any debate about that, that is the truth. *And Whereas, this sad situation has inevitably resulted in a country that is politically. socially and economically unstable and has been widely condemned by the nations of the world.* That is also fact and that is also a truth, that I believe we can all *And Whereas, the instability of the governmental situation in the Republic of South Africa make unsuitable climate for the investment of public monies, including public pension fund assets.* Acain. I believe everyone in this General Assembly. I that hope everyone in this General Assembly can support. the trustees in fiduciaries of the state's public pension funds have a special obligation to the avoid the grave risk of investing our pension funds in investments that are either directly or indirectly dependent upon the continued unjust oppression of unstable and precarious foreign government. Again. a point that... I believe we've talked about it. don*t think about which there can he much debate. 'Therefore...', and that's where the Resolution it resolved, by the House of Representatives of the... of... House of Representative of the 84th General State of Illinois, that we call upon the Illinois State Board of Investment and the Board of Trustees of each pension fund and retirement system governed by the Illinois Pension Code to formulate and make public formal statement of their investment policies.* We're asking them make a statement of investment policies. **** as they relate to the consideration and assumption of the financial

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risk of investments in the Republic of South Africa.* That is the Resolution in its entirety. That is the Resolution upon which I hope that the Members of this General Assembly can support."

- Terzich: "So, what you're asking is the pension funds to give a statement of policy about their investments?"
- Braun: "To give a statement of policy regarding... to give a statement of policy regarding how... what consideration is given the financial risk of investments in South Africa, that's right."
- Terzich: "And let's assume that they give a statement of policy.

 what are they suppose to do about it?"
- Braun: "The Resolution does not call upon them to do anything other than make a public and formal statement of investment policies regarding investment in South Africa."
- Terzich: "Then what your saying is that the Resolution is simply asking the different systems to give somebody a statement of policy of what they're doing with their investments in South Africa."

Braun: "That's correct, Sir."

Terzich: "That's all... That's all it's doing. It's not telling them what to do or anything. They just say, 'give me a statement of what you're doing about investments in South Africa."

Braun: "That is correct, Sir."

Terzich: "It doesn't sound to bad to me. Good luck."

Speaker Greiman: "The Lady from Marshall, Miss Koehler."

Koehler: "Thank you, Mr. Speaker and Ladies and Gentlemen of the House. I rise in support of this Resolution. This is not a Resolution that mandates divestiture. This is a Resolution that asks the Pension Board to assess the risks associated with investment in South Africa. Now, we are all in this room certainly opposed to apartheid. We wish

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be eliminated and would work in various ways to could eliminate apartheid. There are many of concerned about divestiture because we believe that divestiture would, in all probability, rob many blacks some of the best job opportunities they have in South however, this Resolution certainly shows Africa: the of those of us who are concerned about apartheid and would work to eliminate it in various wavs. Therefore. I stand in support of this Resolution. because I think it gives the sense of the Illinois Legislature that we are opposed to apartheid. It is a nonbinding Resolution that simply calls upon the Pension Board to assess investing in South Africa, and I think that that is a perfectly acceptable information that we could use in determining the investments that go into the various countries, such as, South Africa. Thank you."

Speaker Greiman: "The Gentleman from Cook, Mr. Piel."

Piel: "Thank you, Mr. Speaker. Will the Lady yield to a question?"

Speaker Greiman: "Indicates she'll yield for questions."

Piel: "If... Representative, if we do pass a Resolution, and if our pension systems do start divesting, what would the potential cost be to the pension systems in the state?"

Braun: "I'm sorry, Representative, if what now?"

Piel: "If we do pass the Resolution, and if the pension systems
do divest for companies dealing in South Africa or having
plants in South Africa, what would the potential cost be?
The loss to the pension systems in the State of Illinois?"

Braun: "Well, in the first sentence, Representative, as the Resolution... I just read the Resolution. Representative Koehler and others have talked about what the Resolution does. This does not call upon the pension systems to do anything but let us know what their policies are with

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regard to South African investments. That's the straight answer to your question in the first instance. I could answer the collateral question, regarding divestment, but I don't really think at this point that it is all that relevant to this specific Resolution."

Piel: "I'm sorry. would tend to disagree with you, because obviously the genesis behind the Resolution is disinvestment with companies that, you know, deal with the Union of South Africa. The question that I let me ask one other thing. In reference to the Resolution, I don't have a copy of it in front of me, but I glanced at it just, you know, briefly a second ago. Hhy didn't we bring up the Sullivan Principles. This is something that, you know, a lot of companies are to... to show. These are companies that do business in South Africa to show that they are against apartheid."

Braun: "Representative, you know, actually maybe we should have You're talking about another... a different this debate. This is solely an anti-apartheid Resolution. The issue of divestment and the Sullivan Principles is yet another issue that brings a host of other complexities into this debate. I will respond; however, specifically on the issue of the <u>Sullivan Principles</u> and say to you that. again, without regard to this Resolution, the The Sullivan Principles simply make the American companies function better within an already oppressive system. They are... the <u>Sullivan Principles</u>, I would not debate, I would not argue one way or another whether the Sullivan Principles working or not. There is great debate about that. There are people who say the Sullivan Principles are not However, I would submit to you that even with the working. Sullivan Principles in place, that what you're talking about is talking about conditions for slaves. South

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African blacks, the majority... 80 percent of the people in South Africa can't vote. They are not in franchise. They are not allowed the basic civil rights. So, even if you have a rule in place that says that everyone can live on the plantation underthese rules, it is still a plantation in which basic human and civil rights are denied."

Piel: "I agree. I agree."

Braun: "For that reason... For that reason, I believe that the Sullivan Principles really beg the question on apartheid
and whether or not we in this State of Illinois and in deed
in this United States should be supportive of that system."

Piel: "Okay. The question I have though, Carol, is, okay you are asking the pension systems of the State of Illinois to do exactly what, by this Resolution?"

Braun: "To simply consider, to formulate policies and to inform us of what that policy is."

Piel: "Okay. To formulate policy. This is why I'm getting to the point. I would think that companies that do business in South Africa that do not abid by the <u>Sullivan Principles</u>, you know, should definitely..."

Braun: "But we don't know that..."

Piel: "Yes. okav."

"We don't know what the situation is right now with regard Braun: to these investments. They are being made willy nilly. Representative Piel, the Auditor General's report showed us that one individual has total control over the investments of 1.8 billion dollars a year in pension So, we don't know what thinking goes in. funds. We don't know whether he makes differentiation between Sullivan Principle companies and non Sullivan Principle companies. We have no information upon which to make a judgement or the other. And that's why I submit to you that whether you are pro or con a particular view of economic

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sanctions, that it makes sense for this General Assembly to say for once and for all apartheid is wrong. We will not support it or we don't want to support it. And we want to know where our pension investors are with regard to that issue."

Piel: "Okay. As far as knowing where the pension investments are, Carol, can we approach these pension systems and get a list of where pension systems... or pensions are... funds are being put."

Braun: "I'm sorry. Can we... Do we have a list?"

Piel: "Can we... Yes. Find out where these pension funds are being put."

Braun: "We have a host of lists, Representative Piel, some of which are considered to be more complete than others. One of the great difficulties we've had is that we have been unable to get adequate information, even out of our own pension system... governments system... systems governments... regarding the investments and of the criteria for those investments."

Piel: "But the Resolution is advisory. What is this Resolution going to do that we cannot already get, as far as information? You just saying that this is going to give us information. We have been getting information."

Braun: "We... We have never..."

Piel: "If it's just advisory. That's the thing that throws me."

Braun: "Well, I can't imagine the pension boards refusing to comply with the request... with the expressed wishes of the General Assembly to provide us with information as expressed in the Resolution. Now, let me say also, that requests were made by way of letters earlier in the year, and we did have a very difficult time from some, not all, of the pension investment boards in getting information. I believe that this Resolution will make it clear to all of

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the systems that we... that we want to have this information. The General Assembly is concerned about this, and we'd like to have them consider and formulate some policy and advise us as to what criteria and policies they use in their decision making."

Piel: "No further questions."

. Speaker Greiman: "The Gentleman from Cook, Hr. Harris."

Harris: "Thank you. Mr. Speaker. Ladies and Gentlemen of the House, this Resolution simply asks the pension funds Board of Investments to make a formal statement State their investment policies as they relate the consideration and assumption of financial risk. This Resolution asking the Board of Trustees and Investment to do that deserves our wholehearted support. However. I think it's appropriate based on what else said in this Resolution to bring up a couple of other points and to bring up a couple of other questions. This Resolution states that the instability of the social and governmental situation in the Republic of South Africa make it an unsuitable climate for the investment That is not necessarily correct. I think the Board of Trustees, the Pension Board... and the Investment should understand that investing monies in South is not necessarily based on stability. There are many unstable governments in the world todav. There are many unstable governments in which pension funds are invested. There are many governments which have undergone government either recent change οf peacefully forcefully, which have not made them a bad place to put our public monies, most notably the Phillipines, most Puero, Chile, South American countries that have staggering Their form of government may change. peacefully or forcefully. but that doesn•t mean that

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business comes to a hault. That doesn't mean that commerce I would hope that the majority of people, namely the blacks in South Africa, b fuow the oppressive white minority government, be it overthrow But that doesn't forcefully or peacefully. mean that going to cease commerce. That doesn't mean that they're going to cease trading. That doesn't mean that our dollars should be withdrawn. It seems to me. and I it's an appropriate time to bring this up. It seems to me that U.S. money in South Africa is basically used for I think the Sponsor of this Amendment admitted it. Most of the U.S. companies in the Republic of or doing business in the Republic of South Africa adhere to the Sullivan Principles. Now, the Principles may not be the best thing in the world, but they a little bit better than everybody else. you know what happens when the U.S. dollar leaves South When IBM refused to sell their computers in South Africa? Africa, you know who was knocking on the door? Hitachi. If Caterpillar Tractor pulled out of South Japanese. Africa tomorrow. you know who would be selling equipment to the South Africans? Komatsu And you know why? Because the Japanese and the Korean and the Europeans don't the same moral sense that Americans do. The American companies, because they're run by Americans, have a sense of fair play of honesty and certainly a higher sense of equality than any other companies in the world today. When we leave South Africa, be assured other companies are going to come in, take the business that we we're the poorer for īt. Because there's one thing we cannot change. In this House of Representatives, we cannot change the law of economics. We cannot change the flow When we go, some other country, who is not quite dollars.

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as morally principled as we are, is going to move in and going to take that business. This Resolution, however, simply wants a report. Based on that, I think we should support it, but there are other considerations here, and I would urge that the Board of Investments and the trustees of the pension funds consider those other questions. Thank you."

Speaker Greiman: "The Gentleman from St. Clair, Mr. Flinn."

Flinn: "Mr. Speaker, I move the previous question."

Speaker Greiman: "The Gentleman from St. Clair, Mr. Flinn, moves the previous question be put. Those in favor say 'aye', opposed 'no'. In the opinion of the Chair, the 'ayes' have it. The previous question will be put. The Lady from Cook, Miss Braun, to close."

Braun: "Thank you, Mr. Speaker. In response to the last and just to put a note of levity on this very serious situation, there was a story... theargument that Americans leave South Africa that means everybody else will he there. It's been suggested that that's the international equivalent of, if I stop raping VOU. then somebody else will. The fact of the matter is that the rape continues in South Africa. The fact of the matter is do have a responsibility here. And I believe. Representatives, all of you, that this approach for peaceful change in South Africa. approach that says that we will use means other violence, other than the gun to bring about change in South Africa. We have seen in recent years and recent months the absolute intransigence of the South African Government to The brutality has continued, the oppression indeed, if anything, it has gotten worse. continued. seems to me, Ladies and Gentlemen, that it is time for this General Assembly to say apartheid is wrong and we want to

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do something about it. We want our pension investment systems to consider what it is that we do when we send dollars over there. To formulate some policies, so that we will all have some guidance with regard to investment of I encourage your support for our public monies. Resolution. It is the right thing to do. I don't think there's a person in this House who doesn't believe that apartheid is wrong. If that's the case, then vote for this Resolution. There are no other issues that are presented to us more clearly than this Resolution presents this and I encourage your support for House Resolution 595.

Speaker Greiman: "The question is, "Shall this Resolution be adopted?" All those in favor signify by saying "aye", those opposed "no". In the opinion of the Chair, the "ayes" have it and the Resolution is adopted. Hr. Vinson, for what purpose do you seek recognition?"

Vinson: "Mr. Speaker, very clearly a number of people in this

House spoke against this resolution and asked for a Roll
Call."

Speaker Greiman: "No one asked for a Roll Call."

Vinson: "Now, I'm going to vote for the Resolution."

Speaker Greiman: "No one asked for a Roll Call."

Vinson: "I think it ought to be passed."

Speaker Greiman: "No one asked for a Roll Call."

Vinson: "All over the chamber people were yelling for a Roll
Call."

Speaker Greiman: "No one asked for Roll Call. However, Hr. Vinson we are certainly willing to give you Roll Call if your pleasure. Sir. Question, *Shall this Resolution be adopted? All in favor signify by voting 'ave', those opposed vote 'no'. Voting is now open Gentleman from St. Clair, Mr. this is final action. Stephens, to... one minute to explain your vote."

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- Stephens: "Well, thank you, Mr. Speaker. I don't know, I think we spent about an hour on that Resolution and it's really to bad that we had to spend all that time debating an issue that will really have no impact as far as Illinois Government or world affairs are concerned. And, while the blacks in South Africa are certainly are denied their right to vote, we sit here especially on this side of the aisle denied of our right to vote on Tort Reform. And, I wish that the Speaker would come out and deal with the real issues in Illinois."
- Speaker Greiman: "Have all voted who wish? Have all voted who wish? Have all voted who wish? Nr. Clerk, take the record. On this question there are 81 voting 'aye', 23 voting 'no', none voting 'present' and the Resolution is adopted. On the Order of Speaker's Table appears House Resolution 638. Out of the record. On the Order of Speaker's Table appears House Resolution 665. Out of the record. On the Order of the Speaker's Table appears House Resolution 920. Mr. Clerk. read it."
- Clerk Leone: "House Resolution 920 calls for the release of

 Nelson Mandela and other political prisoners in detainance
 by the Republic of South Africa."

Speaker Greiman: "The Lady from Cook, Miss Flowers."

- Flowers: "Mr. Speaker, Ladies and Gentlemen of the House. This
 Resolution is an appeal to consider the violation of the
 basic civil and political rights of citizens beyond the
 Illinois borders. It is a statement to the world that the
 State of Illinois does not concur with injustice in South
 Africa or injustice anywhere. And, I would urge your "aye"
 vote on House Resolution 920."
- Speaker Greiman: "The Lady from Cook moves for the adoption of House Resolution 920. And on that is there any discussion?

 The Gentleman from Cook... from DeWitt, Mr. Vinson."

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Vinson: "Yes, I wonder if the Lady might yield for questions?"

Speaker Greiman: "Indicates she'll vield for guestions."

Vinson: "Representative, I understand, I think to some degree,

Mr. Mandela's symbolic role in the South African

situation. I wonder if you are familiar with the case of

Andrei Sakharov in the Soviet Union?"

Flowers: "I've heard of it Sir."

Vinson: "Are you aware that he is being detained in internal exile in the City of Gorky?"

Flowers: "Yes."

Vinson: "... and denied the right to come to freedom?"

Flowers: "Yes."

Vinson: "Do you think that that's appropriate?"

Flowers: "Representative Vinson, if you would file a

Resolution... calling for his immediate release. I would

be the first one to help you support that Resolution."

Vinson: "Would you be willing to amend your Resolution on its face to include within it the release of Andrei Sakharov by the Soviet Union?"

Flowers: "I would appreciate, Sir, if you would just file your own Resolution."

Vinson: "Well, I think that if we are going to deal with these complex problems of foreign affairs and express a balanced and judicious view point in this General Assembly on these complex issues of foreign affairs. We've got to deal with them in a even handed fashion. And, I'm wondering if you would join me in recognizing that the detention of Mr. Sakharov by the Soviet Union in the City of Gorky and the denial of his civil rights, his freedom to speak, in specific violation of the Helsinki Accord is as grievous a violation of human rights as any detentions in South Africa. Would you agree with that and support that?"

Flowers: "I would agree with that 100 percent, Sir, and if you

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would read... start at line 21 in my Resolution.

*Whereas, the release of Nelson Mandela and other political
prisoners.* Other political prisoners. I'm calling for
the immediate release of all political prisoners."

Vinson: "And would you agree to amend your Resolution on its face in line 22 after the word "detainees" by including in there, "including Andrei Sakharov currently imprisoned by the Soviet Union."?"

Flowers: "I would rather, Representative Vinson, that you would put together your own Resolution, as I have done so. And, I would join you in support of your Resolution."

Vinson: "So, you would resist that Amendment?"

Flowers: "Yes, I would, Sir. I wouldn't..."

Vinson: "Okay, thank you. Ladies and Gentlemen, Members αf is clear that it is impossible under our rules House. to amend an Amendment or a Resolution on its face, Member of this chamber opposes that Amendment. Earlier today, we saw a Member on the other side of the aisle offer a Resolution which had in the past been a controversial partisan issue and ceased to be as partisan an issue today, because she was willing to accept an Amendment on the face that many of us felt made the Resolution much more handed and balanced. Now, this particular Resolution and its Sponsor denies us the opportunity to so amend it. particular Resolution deals primarily with the detention of Mr. Mandela in South Africa. Mr. Mandela and his detention have assumed an symbolic role in South Africa. Whatever. vour view point on Mr. Mandela's detention in South Africa. suspect that every Member of this House agrees that the denial of freedom to Mr. Sakharov in the Soviet even more a violation of law in natural right. because the Soviet Union has explicitly agreed in an international treaty ratified by its government and ratified by our

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Speaker Greiman:

today is South

Resolution and

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government to protect the rights of people like Mr. Sakharov. There is no such treaty applying to Mr. Handela. There is a treaty that applies to Mr. Sakharov and yet the Lady would deny us the right to express our outrage at the injustice meted out to Mr. Sakharov particularly at the time when Mr. Sakharov's wife has had jail in order to be with her husband. to return to For those reasons. I would urge a "no" vote on House Resolution This Assembly has spoken loudly and clearly previous Resolution on the South African situation. ·No · vote is required to further express our concern about South Africa. What is required is some recognition that totalitarianism exists in places other than South Africa. It seems to me amazing that anybody would come in here with a Resolution decrying the denial of political freedom and bе able to ignore and walk away from the Sakharov situation. And, I would urge a *no* vote on this. because what you're doing if you vote 'ves' on it is accepting tacitly the incarceration of Mr. Sakharov. I urge *no* vote on the Resolution."

Speaker, Ladies and Gentleman of the House, I only rise because I°m amazed at the Assistant Leader's inconsistency. Recause. I heard him in the as you limit this last Resolution, he kept insisting will Resolution to South Africa. He insisted of Carol Braun that she limit it to the issue of South Africa. issue he wants to make it broad. He wants to go beyond the issue of South Africa. He wants to go to Russia and everywhere else. Now. I think that's as inconsistent Now, let's face it, we all know the issue as one can be-

Africa.

the

"The Gentleman from Lake, Mr. Matijevich."

We all know also,

past one that we just considered and

this

that

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adopted by a quite heavy vote maybe, would ve been tougher someone to adopt a year ago or even less than that. But, surely not today. Not when we see that brutality We don't know what tomorrow is riabt at the doorsteps. going to bring. If it brings what it did ten vears with the revolution ten years ago. it's going to bring much This Resolution. I think is no different than hloodshed. the last one we adopted. We are saying that the State Illinois, as a matter of policy, stands against apartheld, against discrimination. stands against individual and human rights. suppression of I don't know of anybody who could be against that, even Sam Vinson has got to be for that. So, I would wholeheartedly adopt this It's as consistent as the last one." Resolution.

Speaker Greiman: "The Gentleman from Cook, Mr. Piel."

Piel: "Thank you, Ar. Speaker, will the Lady yield to a guestion?"

Speaker Greiman: "Indicates she will yield to a question."

Piel: "The Resolution deals specifically with Nelson Mandela and in a round about way other political prisoners. But let's talk about Mr. Mandela for just a second. What was he initially jailed for?"

Flowers: "Because he's against apartheid in South Africa."

Piel: "That was strictly why he was jailed initially?"

Flowers: "Strictly because of his philosphy, Sir. That is the reason why he is incarcerated and has been incarcerated for the past 23 years."

Piel: "Another question about him. What group was he belonging to at the time of his incarceration."

Flowers: "To my understanding Sir, he was a lawyer as well as a leader in his community."

Piel: "To the Bill or to the Resolution, Mr. Speaker. Ladies and Gentleman of the House, I would like just to give you a

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little bit of background on Nelson Mandela. Why he was and the group he presently... belonged to at that time. He was carcerated when they broke apartment or at that time they found 500 firearms. home This isn't a person that's passively trying to get change. we're not talking about pea shooters or sling shots. We're talking about hand guns and rifles, 250 That's not a way to get peaceful change. gernades. I ve yet to see a hand gernade get a peaceful change. is He also, was at that time and is presently, a member of the ANC - The African National Congress. For those of you that do not know the ANC wanted support financially from this country said and they This no, are financially and to the hilt right now by Russia. front organization. Before you vote 'yes' on communist this Resolution, I would ask you to all think very very seriously about your vote and what the ramifications of it are. Thank you."

Speaker Greiman: "Further discussion, the Lady from Cook, Miss Braun."

you. Mr. Speaker and Ladies and Gentlemen of the Braun: "Thank House. I rise in support of this Resolution and I say that Nelson Mandela is a freedom fighter in South Nelson Mandela is a symbol to all South Africans Africa. struggle against apartheid. Whether, the issues that have been raised by some previous speakers have little if anything, I think, to do with the fact that Nelson Mandela has been illegally jailed, has been wrongly jailed if not illegally jailed and deserves to be free. in deed, we are to show our support for the struggle of the majority of South Africans to enjoy the basic freedoms that we enjoy, the right to assemble, the right to free speech, the right to believe in what you believe, the right to

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participate as equal citizens. If we believe in that, then it is no... no great leap for us to say that we think that people in other parts of the world, symbols of struggle such as, Nelson Handela, ought to be freed from the illegal oppression, from the wrong oppression that they are presently suffering in South Africa. I encourage your support for this Resolution."

Speaker Greiman: "Miss Flowers to close."

- Flowers: "Mr. Speaker and Ladies and Gentlemens of the House, I
 would simply urge your *aye* vote on House Resolution 920.
 Thank you."
- Speaker Greiman: "Question is. 'Shall House Resolution 920 adopted? A11 those in favor signify by saying 'aye', those opposed 'no'. In the opinion of the Chair. have it. Now, we are going to move now to the next Order of Business. You have to ask for these in a timely way Mr. Vinson. It's clear from the 'aves' and 'nays'. Order of Conference Committee Reports appears, Senate Mr. Clerk." RIII 263.
- Clerk Leone: "Senate Bill on the Order of Conference Committees,

 Senate Bill 263, a Bill for an Act in relationship to farm

 credit. First Conference Committee Report."
- Speaker Greiman: "The Gentleman from Jackson, Mr. Richmond."
- "That you. Mr. Speaker and Ladies and Gentlemen of Richmond: the The Conference Committee Report on Senate Bill 263 deals with extending the authority to 14 month period for the lender in the case of bankruptcies, or extenuating Illinois circumstance, this has to do with the Farm Development Authority and it is something that the authority has asked for. And I would move for the adoption of the Conference Committee Report."
- Speaker Greiman: "The Gentleman from Jackson moves for the adoption of Conference Committee Report #1 to Senate Bill

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263. and on that, the Gentleman from DuPage, Mr. McCracken."

McCracken: "Thank you, ... the Gentle yield for question?"

Speaker Greiman: "Indicates he'll yield."

McCracken: "The second page of the Conference Committee Report...

there is a little underlined language on that page. Can

you explain the change?"

Richmond: "One moment, please. It assures that the interest rate will be adjusted every year to 250 based points to be in alignment with the interest on U.S. Treasury Bills."

McCracken: "And, how much does a basis point consist of? I mean,
how, how, what is the relationship that bares to the
adjusted interest rate?"

Richmond: "I'm afraid that I'm not prepared to answer that at the moment. I'm sorry."

McCracken: "Okay."

Richmond: "One moment. One—one hundredth of a full interest point, I m told."

McCracken: "I'm sorry."

Richmond: "One-one hundredth of a full interest point, I'm told.

McCracken: "OKay. So it would be two and one half points over the treasury rate."

Richmond: "Yes. That's right."

McCracken: "Okay. On page four the authority shall have the authority to extend the 14 month period, in case of bankruptcies. What does the 14 month period refer to?

Richmond: "I'm sorry, would you repeat that."

McCracken: "Yes, what does the 14 month period refer to?"

Richmond: "I think it was based on the 12 month period before and this extends it to 14 months to allow the lenders an opportunity to--- extenuating---"

McCracken: "Okay. And, who declares the state quaranteed delinquent? Is that a function of the authority or would

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that be the lender?"

Richmond: "The authority."

- McCracken: "The authority, and is there any standard in the law for there determination of delinquency or on what basis is a delinquentcy declared?"
- Richmond: "I'm told that the authority and the lenders would move
 jointly on the guidelines and I guess that could vary
 the... depending upon the lenders policies."
- McCracken: "Okay, and are there any guidelines to guide the authorities discreation in granting an extension of that 14 month period in cases of extenuating circumstances? On what basis will they make that decison? Is there any standard set forth in the Act."
- Richmond: "I think the original law goes into that and this

 Conference Committee Report does not change that I'm... I

 understand."
- McCracken: "But, this is new before the 14 month period could not be extended. Is that right?"
- Richmond: "Repeat that. I'm sorry."
- McCracken: "Before this the 14 month period could not be extended by the authority."
- Richmond: "Yes, I think that is correct."
- McCracken: "So, the loan had to be liquidated or the collateral had to be liquidated with in 14 months."
- Richmond: "That is correct."
- McCracken: "Now, do you have any information regarding the cost that this extention would create? Would the authority be carrying or guaranteeing more debt? Would they be required to for example issue bonds or look for anymore security in order to be able to carry these delinquencys beyond the 14 months?"
- Richmond: "I'm afraid I can't give you a detailed answer or a very poor one in fact. I will have that information. I

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- didn°t realize it was going to be called this afternoon.

 But, I will have that information. I can°t answer that at the moment.
- McCracken: "Okay. Are these obligations that the state guarantee authority takes by virtue of this law? Are they obligations of the state? Is our full faith and credit of the state behind these?"
- Richmond: "Oh, yes, that's a 85 percent guarantee. Obligation of the state."
- McCracken: "Okay. Thank you."
- Speaker Greiman: "The Gentleman from Macon, Mr. Tate. Mr. Tate."
- Tate: "Yes, Mr. Speaker. I would like to yield to Mr. Friedrich,
- Speaker Greiman: "Well, Mr. Friedrich is not at his microphone.

 Oh, there he is. Alright, Mr. Friedrich. Hr. Tate has been kind enough to yield his time to you."
- Friedrich: "Mr. Speaker, I would like to request a forty-five minute recess..."
- Speaker Greiman: "Yes."
- Friedrich: "for the purpose of a Republican Conference."
- Speaker Greiman: "Yes, and I told you when you asked that, I said, as soon as we finish this Bill we will be more than happy to."
- Friedrich: "I thought that's what you recognized me for, Sir."
- Speaker Greiman: "Sure. Sure. And you said okay. So, fine.

 Mr. Ropp."
- Ropp: "Thank you, Mr. Speaker, Members of the House. I certainly want to stand in support of this Conference Committee. It is a further attempt to alleiviate a serious situation relative to the farm prices and these attempts have been made so that more banks will participate in helping farmers secure credit over a longer period of time. I urge your support."

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Speaker Greiman: "The Gentleman from Lake, Hr. Churchill."

Churchill: "Thank you, Mr. Speaker. Will the Gentleman Yield?"

Speaker Greiman: "Indicates he will yield for questions."

Churchill: "Representative, can you tell me whether or not the liquidation period on collateral has been altered under the Conference Committee Report?"

Richmond: "Are you referring to the 14 month extension period."

Churchill: "Yes, was that, is that the same as it was before or has that been changed?"

Richmond: "That was changed."

Churchill: "Alright, and how has it been changed?"

Richmond: "I think it was 12 months before."

Churchill: "So, now it is 14 months."

Richmond: "Yes."

Churchill: "You've extended it by two months."

Richmond: "Yes."

Churchill: "Alright, Can you tell me what the effect on a bank
would be if the bank has a farm as collateral and the
farmer declares bankruptcy? What happens to the collateral
at that point?"

Richmond: "Mr. Speaker, I would like to request to take this out of the record. So, that I can answer these questions properly."

Speaker Grelman: "Well, alright, Mr. Richmond, of course, you*re within your right, but we will not be returning to that, to this Bill today."

Richmond: "Well, I was not prepared for it, and I'm sorry. They
were asking some questions I don't know the answer to. Ar.
Churchill, I'm sorry I can't really respond to your
question."

Speaker Greiman: "So··· I··· Okay. Okay, then at the request of the Sponsor the Bill will be···*

Richmond: "Well now, just a moment maybe he's..."

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Speaker Greiman: "Mr. Churchill."

Churchill: "I still need to know the answer to the question. I'm sorry."

Richmond: "I don't know the answer."

Churchill: "Ar. Speaker, is the Bill still on the record? We're still on the Bill?

Speaker Greiman: "Yes, still on the record, you can proceed."

Churchill: "I'll hold for a minute. I'll hold for a minute if you want."

Speaker Greiman: "Yes. Mr. Richmond."

Richmond: "Yes, thank you, Mr. Speaker. The Conference Committee
Report, in regard to the question that was asked, I'm told
doesn't change the collateral picture whatsoever it adds
two months to the existing policies or guidelines and the
collateral picture and the lenders involvement would be
indentical to what it was before except for two months

Speaker Greiman: "Mr. Churchill."

Churchill: "Yes. Thank you, Mr. Speaker. But, I do want to get that clear though. That if a bank under this program has loaned money to a farmer, the farmer then goes into the default on the loan. The loan is... You know, they start foreclosure preceedings or whatever and the farmer goes into bankruptcy, then what you're saying is time that he goes into bankruptcy there is an additional 14 month period. And, does that prohibit the bank then from going into the bankruptcy court asking the bankruptcy court to allow this property to be cut out of the bankruptcy court in the event that there is no equity there and allow the bank to continue its foreclosure proceeding, as be done in a normal case?"

Richmond: "The authority has the authority to step in, in bankruptcy cases, to offer mediation and to provide for a

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- settlement of the situation and certainly with the protection of the bankers interest in mind, too.*
- Churchill: "I'm sorry, Mr. Speaker. I didn't hear what he said.

 I couldn't hear you."
- Richmond: "I said the authority has the authority to step in to bankruptcy cases and to offer mediation which would take into consideration not only the farmers interest but, the bankers interest and that is what is provided in this Conference Committee Report."
- Churchill: "So, then it could really be two or three years before
 the collateral is liquidated and the bank would be able to
 obtain its loan back."
- Richmond: "If you say so, I'm not sure that thats covered. I

 don't know the answer to that."
- Churchill: "Alright,... let me ask you, I want, a different question on the a lot of the banks and rural Illinois are fairly small banks and yet the program that you set up here is a rather large program. Was there something in this Bill which extended the lending limits for local banks?"
- Richmond: "The last, ... I didn't catch the last few words of your question. I'm sorry."
- Churchill: "Is there something in this Bill that extends the lending limit for small banks?"
- Richmond: "No."
- Churchill: "So, then if one... if a farmer comes in under this program and his request for money exceeds the lending limit of the bank how is he going to get the money out of the program anyway?"
- Richmond: "Under the Banking Act lending institutions can only loan up to a certain percentage of there working capital and surplus. This change would allow banks to waive loan limits and lend farmers the funds when they are guaranteed by the State of Illinois."

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- Churchill: "Okay, so this Bill then does allow for the extention of lending limits. That's what you are telling me."
- Richmond: "Only in those cases."
- Churchill: "Alright, and it would have to be a state guaranteed loan under this program."
- Richmond: "Where there is a state guarantee. Yes, under those certain circumstances.
- Churchill: "Okay, as a general matter, you know, this issue was a major issue in our last legislative session. Have there been an increasing number of bankruptcies or lessing number of bankruptcies in the last year?"
- Richmond: "It has developed that since the mediation became available that there have been certain... certainly there's been bankruptcy cases but, the liquidation numbers has certainly decreased. Perhaps none. Is that right?

 Anyway its decreased."
- Churchill: "So, in other words... "
- Richmond: "The mediation process is working, in other words,"
- Churchill: "Alright, so then but there have been no liquidations, since a year ago?"
- Richmond: "Has there been? I'm not sure whether... I can't say
 with definite within the definity that there has been none,
 but it has been decreased. I don't have those figures
 here. I'm sorry."
- Churchill: "So, then what you're saying is what is in law already is taking care of the problem. I guess, then what I'm saying is why do we, why are we still arguing on this if we took care of the problem already in a previous piece of legislation?"
- Richmond: "This is, as I understand it, what is required and requested by the Illinois Farm Development Authority to assist them in the program and to make it more workable."
- Churchill: "Thank you."

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Speaker Greiman: "The Gentleman from Morgan, Mr. Ryder."

Ryder: "Thank you, will the sponsor yield for some questions?"

Speaker Greiman: "Indicates he'll yield for questions."

Ryder: "Thank you. Representative, this Conference Committee
Report I want to try and determine the status of House
Amendment \$1, which I believe was your Amendment which was
adopted. Is that part of the Committee Report?"

Richmond: "The Conference Committee Report requests the House to receed from House Amendment #1. Deletes everything after the enacting clause to clarify the language of the Illinois Farm Development Act."

Ryder: "Alright, so there none of the items that were in House

Amendment & are incorporated in the Conference Committee

Report."

Richmond: "That's correct."

Ryder: "Okay, does that mean that there now has been removed the restrictions on limitations to 1985 spring planting? So, that this operational loan is now available at anytime for any purpose."

Richmond: "If that was part of Amendment &1. Yes, its been defeated. I don't have that Amendment here."

Ryder: "My understanding on that Amendment, if I could be of assistance, indicates that House Amendment #1 clarifies that the money is to be used only for spring 1985 planting, raising, and harvesting cost. It was an elimatation that put it simply on an operational loan for crop assistance and that was part of the Amendment which you Sponsored in which was adopted and then, my understanding is, that Amendment would be receeded and I*m just wondering now if there are any limitations on the Bill, or on the operation so whether these funds would be available even as of today."

Richmond: "Yes, with the elimination of the Amendment, that would

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be true."

- Ryder: "So your indicating that even though crops may be in the field and in fact substantially growing, that there still is opportunities for farmers to come in and to borrow these funds."
- Richmond: "Well, he would have the... it would have to be for that purpose but, maybe perhaps he did the planting before he got his loan application in or got it processed and it would still apply. It's a 14 month period. Before we had a cut off date that was to early. You know, this is a rehash of a Bill that we had a couple of years ago and it
- Ryder: "I understand. The limitation in the original Bill was strickly for crop only. Is that right? It is not livestock or any other basis. It's for crop only."
- Richmond: "It was for farm products. Production products and it would... it basically was for the grain crops. Yes, in the original Bill, but I think in this... the revised version it was to include basic farm products which would include of course, some meat production."
- Ryder: "Now the limitation as the result of this Conference

 Committee the limitation would mean that someone could

 apply as of now, for these funds on a livestock operation?"
- Richmond: "I'm not sure about the livestock operation. I'll have
 to pass on that question. I can't give you a definite
 answer."
- Ryder: "In general then, specifically you would say that yes, for a grain operation..."
- Richmond: "Yes, that's right."
- Ryder: "... and limitation or the deadline is not passed so that applicantions could still be submitted."
- Richmond: "14 months, during that 14 months period, yes."
- Ryder: "14 period which starts when, and ends?"

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Richmond: "There was a starting date in the Bill. I simply don't have it in front of me here. It's 14 months instead of before it was something like nine or ten months in the original Bill. But, this extends it because of convenience of the farmer and the lender and it still is basically for the same purpose."

Ryder: "Okay, I understand the purpose. Its just that we're losing the benefit of your Amendment #1 and the Conference Committee Report and as a result of losing that Amendment there are certain limitations that are not there and the end result is what's concerning me. In the event, that a farmer is... has trouble getting finances to get the crop harvested, is this loan available for that purpose? I'm talking about in the fall."

Richmond: "Yes, I would say that it would be."

Ryder: "And that's within the 14 month period."

Richmond: "If it's within the 14 month period."

Ryder: "Okay, fine. Thank you. Can you tell me if you know what kind of participation in this program we had this spring?"

Richmond: "There are two different programs, I'm told and the authority... again we don't have the figures before us. There was a total of 3500 applications and the ones that were processed and awarded, I don't have those figures. But, the last I heard from "Ron Bailey" of the Illinois Farm Development Authority it indicated that there was a great number of loans that had been processed, more lenders were involved in the last several months and it entered into the process and so, it is working."

Ryder: "But, you don't know, you don't know how many dollars, and you don't know how many people were awarded the loans?"

Richmond: "It certainly is available. I'm sorry that I can't give it to you at this moment. I was prepared to go into this tomorrow morning, really."

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Ryder: "I understand and... and I understand the circumstances in which you find yourself. Could you also tell me if you, such as I, have had many folks come to you complaining that no banks in there area would participate in the program."

Richmond: "Yes, I did. Particularly a few months ago and then there has been some meetings with bankers with the Development Authority and various Legislators the district, around the state and trying to acquaint the lenders get our finger on the problem that they present with this program and also to promote secondary mortgage And, so with that in the background most said that would really improve the program and since the authority is working in that direction found that several more banks have entered into the program."

Ryder: "Is there anything in this Conference Committee Report that is, that is designed to help meet that problem because I can tell you very frankly that one of the counties in my district in which this is a very significant problem that the banks are not cooperating. I would very much like to see it because the need happens to be the greatest in that county where the banks are not cooperating. Is there anything in the Conference Committee Report that would give the banks greater incentive to participate?"

Richmond: "Well, I think, yeah, there's factors in apparently that still wasn't all they would like to see. I'm referring to is what the Development But. what Authority is working on in the... I don't know whether I'll the proper terminology, but, financial world, but about the secondary mortgages and market for these loans and whenever that is accomplished and Ron Bailey is not here to give me the update iust where they are on it, but that is something they are

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- pursuing. And, the bankers all said that was the type of thing that they needed and it's being pursued.
- Ryder: "Thank you, Representative, I appreciate you answering my questions even though you didn't have all the facts there.

 Thank you."
- Richmond: "I'm sorry about that. Yes."
- Speaker Greiman: "The Gentleman from Jackson, Mr. Richmond to
- Richmond: "I just... I just simply ask support for this

 Conference Committee Report."
- Speaker Greiman: "Question is, 'Shall House adopt Conference

 Committee Report #1 to Senate Bill 263?' All those in

 favor signify by voting 'aye', those opposed vote 'no'.

 Voting is now open and this is final action. Yes, Mr.

 Flinn."
- Flinn: "Mr. Speaker, I would like to explain my 'no' vote."
- Speaker Greiman: "Mr. Flinn proceed."
- Flinn: "Well, we talked over an hour here and everybody asked a
 lot of questions of the Sponsor who admitted he didn°t know
 what he was talking about and I°ve got to vote °no° on
 anybody who doesn°t know what their talking about."
- Speaker Greiman: "You want to have your seat moved? Mr. Clerk. have all voted who wish? Have all voted who take the record. On this question, there are 109 Clerk. voting "ave", none voting "no", none voting "present". And, the House does adopt Conference Committee Report 31, to Senate Bill 263 and this Bill having received the Constitutional Majority is hereby declared passed. Hr. Friedrich we are going to do a couple of Resolutions and then adjourn so that you can have your conference at that time. I assume that would be... would meet your approval. Mr. Friedrich."

Friedrich: "Would that interfere with Committees?"

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- Speaker Greiman: "No, there are no Committees. We are getting ready to wind up. Mr. Clerk, Agreed Resolutions."
- Clerk O'Brien: "House Resolution 1444, offered by Representative

 Countryman, and House Resolution 1445, Didrickson Steczo

 and Regan."
- Speaker Greiman: "The Chair recognizes the Gentleman from Lake.

 Mr. Matijevich on the Agreed Resolutions."
- Matijevich: "Speaker, these are congratutory I move the adoption of the Agreed Resolutions."
- Speaker Greiman: "The Gentleman from Lake moves the adoption of Agreed Resolutions. Those in favor say "aye", opposed "nay", in the opinion of the Chair the "ayes" have it.

 Resolutions are adopted."
- Clerk O'Brien: "General Resolutions."
- Speaker Greiman: "General Resolutions."
- Clerk O'Brien: "Senate Joint Resolution 101 offered by Representative Madigan."
- Speaker Greiman: "Committee on Assignment. Committee on Rules. Resolution will be placed on the Committee That on Assignment. Ladies and Gentlemen, we are about to take เมอ a Death Resolution for a former Member. Member who some of some of the older Members of this House served with. will that we be... the House will In the meantime, I did want to indicate that adiourned. there are a few announcements to be made. Mr. Ropp. Gentleman from McLean."
- Ropp: "Thank you, Mr. Speaker, for the purpose of an announcement at 4:30 this afternoon the House Softball Team will practice just west of the Capitol, three blocks. Thank you. 4:30."
- Speaker Greiman: "Ladies and Gentlemen, Mr. Friedrich has requested a Republican Conference. So, immediately on adjournment, immediately on adjournment there will be a

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Republican Conference in Room 118. 118 Republican
Conference. Death Resolutions. Ladies and Gentlemen, let
me have your attention. Death Resolutions."

Clerk O'Brien: "House Resolution 1443, offered by Representative Whereas, the Members of the House have learned Matiievich. with great sadness of the recent passing of John J. "Jack" Hill, a former Member of the House of Representatives the Illinois General Assembly and; whereas, a native of Aurora. Jack Hill served nine consecutive terms Democrat Member of the Illinois House of Representatives, representing the 39th District from 1958 to 1976 whereas. during his term of office as a Legislator, Jack Hill was a machinist in an Aurora factory and carried endorsement of the AFL-CIO as a spokesman for organized labor; and, whereas, after serving as a State Legislator. Jack Hill served with honor as the distinguished Mayor of Aurora from 1977 to 1985 and: Whereas. Jack Hill also served the public as an Aurora alderman for nine years, as an elected member of the Northeastern Illinois Planning as Chairman of the Illinois Commission on Commission and Intergovernmental Cooperation and: whereas, Hill leaves a proud heritage to mourn his passing in the persons wife, Velva; his son, David, his daughter lovina Pattv: his mother. Marie and his brother. Donald whereas, The warm... warmth and love Jack Hill shared with He will long be remembered and treasured all he knew. friends and family alike; therefore, be it resolved, by the House of Representatives of the 84th General Assembly of the State of Illinois, that we express our sincere sorrow the loss of Jack Hill; that we ioin those individuals who mourn the loss of a close friend and colleague; that to his bereaved family we extend our heartfelt sympathy; and be it further resolved, that a suitable CODV

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convictions.

Jack we will miss

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of this Preamble and Resolution be presented to the family of Jack Hill, as a formal indication of our mutually shared sense of loss and as a further token of our respect the House does now stand adjourned.

Speaker Greiman: "The Gentleman from Lake, Mr. Matijevich." Ladies and Gentlemen of the House. Matijevich: "Speaker. Firet I'd ask leave that all Members be added to the Sponsorship of this Resolution. Second, those of us who served with Jack Hill have lost a real friend. Someone in what he did and sincerely represented the interests of his constituentcy. Anvone who served Jack Hill can attest to the colorful nature of Jack Hill. He sat down here and it is almost like the good Lord the time of the year when all of us remember him just Those vou who served today understand the pressures that we were under some years ago. When we worked day and night and when many of us could nt understand why we were even here and Jack Hill and only the way that he could do it. would put his leg up on the would get red as a beet, would wave his arms and just hollar at the Speaker and say, *get us out of here . home to our families and he mentioned his wife and he mentioned his young son, Dave, who was at a young age then. Jack Hill left this Legislature after 18 years because bout with cancer and he wanted to be close to her and his youngest son. Dave. And, Jack was so close us when he spoke that way because he was telling the Speaker our true feelings. Jack's funeral was today. Jack will be remembered for his service to humanity. for his to all people, for his true convictions in the way he spoke and the way he believed so strongly

Again. I say those of us who served with him.

vou

you, and God bless

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blessings be with you always and with your fine family too."

Speaker Greiman: "The Lady from DuPage, Miss Cowlishaw."

- Cowlishaw: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. Jack Hill was my constituent. He lived in my district. I am a Republican and he was a Democrat. There are somethings that superceed partisan politics. Jack Hill whatever his partisan persuasions, was a good man, a just man, a loving man, and he really cared about the people he served. One day when we die, let us hope the same could be said of each of us who stands here today. Thank you."
- Speaker Greiman: "Leave is given for all members to join in the Resolution. The Gentleman from Lake moves for the adoption of the Resolution. All those in favor say "aye", those opposed 'nay', in the opinion of the Chair, the 'ayes' have it. And, the House does stand adjourned until the hour of 12:00, Noon, tomorrow."

09/02/86 14:39

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