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- Speaker Giglio: "The House will come to Order. The Chaplain for today is Reverend Dan Roseberry of the New Life Worship Church in Springfield Illinois. Reverend Roseberry is the guest of Representative Moseley. The guests in the gallery may wish to rise for the invocation."
- Reverend Roseberry: "Heavenly Father, we approach Your throne once again and Lord, as You have appointed each of us positions of authority and responsibility here and Lord, as is the desire of each one here to be a blessing to the people of the State of Illinois, we would pray Lord, that You would give each one wisdom and that You would give each one an understanding of the way to go in various situations. Lord, many different ways to accomplish the things that each one comes to do. And we pray, Lord, that all that is done here will be done to bless the people of the State of Illinois, that we could be blessed and we could live at peace and that we can prosper as a state. thank You now and we ask for Your blessing in the name of the Lord, Jesus Christ. Amen."
- Speaker Giglio: "We will be led in the Pledge by Representative Olson."
- Olson 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 Giglio: "Roll Call for Attendance. Representative Kubik."
- Kubik: "Thank you, Mr. Speaker. Let the record reflect that Representative Zickus is excused today."
- Speaker Giglio: "Representative Turner."
- Turner: "Thank you, Mr. Chairman. There are no excused absences on the Democratic side of the aisle."

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- Speaker Giglio: "Take the record, Mr. Clerk. Take the record.

  One hundred and seventeen Members answering a quorum call,
  a quorum is present. The House is ready to do it's
  business. Committee Reports."
- Clerk Rossi: "The Committee on Rules has met and pursuant to Rule
  14(a)5 and 14(a)6 recommends consideration and the
  following Bills be placed on the Order of Second Reading,
  Senate Bill 382 and further recommends consideration that
  the following Bills be placed on the Order of Concurrence,
  House Bills 381 and House Bill 1513. Signed by Frank
  Giglio, Chairman."

Speaker Giglio: "Adjournment Resolution."

- Clerk Rossi: "House Joint Resolution 167. offered by Representative McPike. RESOLVED. BY THE HOUSE OF REPRESENTATIVES OF THE EIGHTY-EIGHTH GENERAL ASSEMBLY THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that when the House of Representatives adjourns on Wednesday, June 15, 1994, it stands adjourned until Tuesday, June 21, 1994 at 12:00 o'clock noon: and when the Senate adjourns on Wednesday, June 15, 1994, it stands adjourned until Tuesday, June 21, 1994 at 12:00 o'clock noon."
- Speaker Giglio: "Representative Turner moves for the adoption of the Adjournment Resolution. All those in favor signify by saying 'aye'; opposed, 'nay'. In the opinion of the Chair, the 'ayes' have it. The Resolution is adopted. Supplemental Calendar #1."

Clerk Rossi: "Supplemental Calendar #1 is being distributed."

Speaker Giglio: "Tenhouse, for what purpose do you rise, Sir?"

Tenhouse: "Thank you, Mr. Speaker. Since we're kind of at ease here, I'd like to have an opportunity to introduce the group up here in the gallery. They're the Burton Flyers 4H Club from Adams County and one of the leaders happens to be

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my wife, Sharon. So, we'd like to welcome them to the House."

Speaker Giglio: "(Agreed) Resolutions."

Clerk McLennand: "Agreed Resolutions. House Resolution 2959, offered by Representative McAfee; House Resolution 2960. offered by Representative Mautino; House Resolution offered by Representative Stephens; House Resolution 2962, offered by Representative Stephens; House Resolution 2963, offered by Representative Stephens; House Resolution 2965, offered by Representative Gash; House Resolution 2966, offered by Representative Weller; House Resolution 2967. offered by Representative Weller; House Resolution 2968. offered by Representative DeJaegher; House Resolution 2969, offered by Representative DeJaegher; House Resolution 2970. offered by Representative DeJaegher; House Resolution 2971, offered by Representative Lawfer; House Resolution 2972. offered by Representative Curran; House Resolution offered by Representative Younge; House Resolution 2974. offered by Representative Moffit; House Resolution 2975, offered by Representative Lawfer; House Resolution 2976, offered by Representative Lawfer; House Resolution 2977. offered by Representative Lawfer; House Resolution 2978, offered by Representative Wennlund; House Resolution 2979, offered by Representative Dunn; House Resolution 2981. offered by Representative McPike; House Resolution 2982, offered by Representative Black; House Resolution 2983, offered by Representative Hughes; House Joint Resolution 166, offered by Representative Capparelli; Senate Joint Resolution 177, offered by Representative McGuire."

Speaker Giglio: "Representative Granberg moves for the adoption of the Agreed Resolutions. All those in favor signify by saying 'aye', opposed 'nay'. In the opinion of the Chair,

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  the 'ayes' have it. Agreed Resolutions are adopted. Death
  Resolutions."
- Clerk McLennand: "House Resolution 2956, offered by Representative Tim Johnson with the respect to the memory of Donald E. Long. House Resolution 2957, offered by Representative Tim Johnson with respect to the memory Charles Hood. House Resolution 2958. offered Representative Currie with respect to the memory of Harold Jeff Metcalf. House offered Resolution 2964. Representative Moffitt with respect to the memory of Kenneth J. Peel. House Resolution 2980, offered Representative Noland with respect to the memory Patricia Ann Bilyeu. House Resolution 2986, offered by Representative Dart with respect to the memory of Lamuel Austin Junior."
- Speaker Giglio: "Representative Granberg moves for the adoption of the Death Resolutions. All those in favor signify by saying 'aye', opposed 'nay'. In the opinion of the Chair, the 'ayes' have it. Death Resolutions are adopted. General Resolutions."
- Clerk McLennand: "House Resolution 2946, offered by Representative Pugh."
- Speaker Giglio: "Committee on Assignments. On the Order of Special Order of Business under State Operations, Third Reading Senate Bills. Representative Kotlarz, Senate Bill 1311. Out of the record. Representative Steczo, Senate Bill 1381. Steczo? Out of the record. Representative Kotlarz, this is another Bill, 1447. Out of the record. Representative Jones, for what purpose do you rise?"
- Jones: "Mister Speaker, we have a very special guest in the House today. We have Alderman Ted Mazola from the first ward.

  Alderman Ted Mazola from the first ward. Thank you."

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Speaker Giglio: "Representative Jones."

Jones: "Also, we have a former Member in the House, Judge Anthony Young."

Speaker Giglio: "Welcome back to Springfield, your honor. Special Order calls on the Order of State and Local Government, Third Reading, Senate Bills. Appears Senate Bill 1149. Representative Curran. Is the Gentleman of the chamber. Senate Bill 1149, Sir. Do you wish to call this Bill? Also under this Order the following Members have Bills if thev wish to be called. Representative...Representative Prussing has a Bill. Representative Granberg, Representative Hoffman and Representative Black. Representative Curran, you ready, Sir. Out of the record. Representative Prussing, do you wish to call Senate Bill 1384? Out of the record. Representative Granberg, 1421. Representative Granberg in the chamber? Out of the record. Representative Hoffman, Jay Hoffman. Out of the record. Well, Representative Black, you're the last Gentleman on this agenda. Do you wish to have your Bill called, Sir? Senate Bill 1832. Read the Bill, Mr. Clerk."

Clerk McLennand: "Senate Bill 1832, a Bill for an Act that amends the Lieutenant Governor's Office of Voluntary Action Act. Third Reading of this Senate Bill."

Speaker Giglio: "Representative Black."

Black: "Thank you very much, Mr. Speaker and Ladies and Gentlemen of the House. Senate Bill 1832 is amended. It deals primarily with the Lieutenant Governor's Office of Voluntary Action and creates the commission of community service. It's being created to insure that the State of Illinois is able to participate in the National and Community Service Trust Fund Act of 1993 and that

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Legislation, Federal Legislation includes the proposal to create state commissions. That will enable Illinois to capture some \$3 million in Federal Funds in Fiscal Year '95. There are some amendments. I think Representative Stroger filed Amendment #7 that was adopted yesterday. It was a technical Amendment to replace various titles with the proper titles. The Lieutenant Governor's Office was in complete agreement with that Amendment. There are also some minority and female business enterprise language as amended on Senate Bill 1832. I'll be glad to answer any questions that you have, and I would ask for favorable consideration of Senate Bill 1832."

- Speaker Giglio: "Any discussion? Hearing none, the question 'shall the House pass Senate Bill 1832?' All those in favor signify by voting 'aye'; opposed, 'no'. The voting is open and this is final action. Have all voted who wish? Have all voted who wish? Have all voted who wish? the record, Mr. Clerk. On this question, there are 117 voting 'yes', 0 voting 'no' and Senate Bill 1832, having received the required Constitutional Majority, is declared passed. On the Order of State and Local appears Senate Bill 1706. Representative Hoffman. Read the Bill, Mr. Clerk."
- Clerk McLennand: "Senate Bill 1706, a Bill for an Act concerning insurance. Third Reading of this Senate Bill."
- Speaker Giglio: "The Gentleman from St. Claire, Representative Hoffman."
- Hoffman: "Thank you, Speaker and Ladies and Gentlemen of the House. Senate Bill 1706 does many things that I think that are all uncontroversial. What it would do, it would amend the Limited Health Services Organization Act defining Limited Health Services and would increase from 10 to 20%

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the total Limited Health Service expenditures that will eliminate Health Service Organization may expand calendar year. In addition, it would...House Amendment #1 would allow that...it would increase the size of industry replacement programs governing committee from 9 to members and would increase the size of the Board of Directors of the Minds of Science Insurance Fund to 9 to 11 members. House Amendment #2 would amend, would allow County Collector to execute certificates regarding property the village clerk or the city clerk in taxes and unincorporated areas and the officials in charge of the County Building Department in uncorporated areas would execute certificates regarding property taxes...regarding demolition expenses. House Amendment #3 iust makes technical changes. House Amendment #4 regarding the Trauma Center Fund that we passed about two years ago. This would make technical changes and would allow the money that presently sitting in the State Comptroller's Office to be dispersed to trauma centers that are duly in need. Amendment #5 is Representative Kaszak's Amendment which was discussed yesterday and then House Amendment #6 relates back to House Amendment #1 and makes some changes the Governing Board size. I ask...I don't believe that anything is controversial, I think these are all pood government Bills and I ask for an 'aye' vote."

Speaker Giglio: "Any discussion? Hearing none, the question is 'Shall Senate Bill 1706 pass?' And on that, all those in favor signify by voting 'aye'; opposed, 'no'. The voting is open and this is final action. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On this question, there are 117 voting 'yes', 0 voting 'no'. Senate Bill 1706, having received the

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- required Constitutional Majority, is hereby declared passed. Representative Parke, for what purpose do you rise, Sir?"
- Parke: "Thank you, Mr. Speaker. Ladies and Gentlemen of the House, I want to point out that one of our past members of the Illinois House was in the Illinois Senate for a little over a year and decided to become the president of the RTA.

  Tom McCracken is with us today. Hi, Tommy."
- Speaker Giglio: "Representative Leitch."
- Leitch: "Yes, thank you, Mr. Chairman. The Republicans would like an immediate caucus in Room 118, please."
- Speaker Giglio: "We'll let you know in a few minutes, Representative.
- Clerk Rossi: "Supplemental Calendar #2 is being distributed."
- Speaker Giglio: "Supplemental Calendar #1, appears Senate Bill 382, Representative Schoenberg. Mr. Clerk, read the Bill."
- Clerk Rossi: "Senate Bill 382, a Bill for an Act relating to bonds for school construction. Second Reading of this Senate Bill. Amendment #1 was adopted in committee, no motions have been filed. Floor Amendment #2, offered by Representative Phelps."
- Speaker Giglio: "Representative Phelps. Withdraw Amendment #2.
  Further Amendments?"
- Clerk Rossi: "Floor Amendment #3, offered by Representative
  Currie."
- Speaker Giglio: "Representative Currie. Withdraw Amendment #3.
  Further Amendments?"
- Clerk Rossi: "Floor Amendment #4, offered by Representative Currie."
- Speaker Giglio: "Withdraw Amendment #4."
- Clerk Rossi: "Floor Amendment #5, offered by Representative Schoenberg."

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Speaker Giglio: "Representative Schoenberg on Amendment #5."

Schoenberg: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. Amendment #5 would deal with a serious economic development problem that we have here in Illinois. Namely, inability to help high-tech and biotech firms get started up. And therefore, it would create the Research Park Authority Act. This would be authority and it would have the capacity to issue bonds and provide financial support to university affiliated research parks in Illinois. The bond proceeds in turn would then be lent to the research parks to develop facilities which would be leased to technology based private firms who are affiliated with universities. There are currently three university related research parks in Illinois. One is Chicago Tech, one is the one at SIU Edwardsville and the third one is at Northwestern University, the Evanston Research Park. This initially...These bonds would be extent to which the state would be involved would be moral authority and I'd be happy to answer any questions on this."

Speaker Giglio: "Any discussion? Representative Biggins."

Biggins: "Thank you, Mr. Chairman. A question of the Chair if I may. My colleague, Representative Leitch, a few minutes ago requested a conference. I did not here the answer when that comment..."

Speaker Giglio: "The answer is we'll get back to him. We're going to finish this Order of Business."

Biggins: "Thank you."

Speaker Giglio: "Representative Cowlishaw."

Cowlishaw: "Thank you very much, Mr. Speaker. Will the Sponsor yield?"

Speaker Giglio: "Says he will."

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Cowlishaw: "Thank you very much. Representative Schoenberg, I rise to ask you if you would consider doing something that to me it seems would make eminently good sense. It understanding that the people who are strongly in favor of this Amendment are holding a meeting this afternoon with Governor Edgar's Chief of Staff and others who are experts in questions having to do with our bond rating and bond authority and proposals such as this and how they affect those bond ratings. Because that meeting has not yet been held, it would seem to me that it would be the better part of valor to take this Bill out of the record for today provided of course, that the Chair would agree to call it first thing next week. At least that way we would have the results of this meeting and would not have done something that was premature."

Speaker Giglio: "Representative Schoenberg."

Schoenberg: "Thank you for calling attention to the Body. Representative, on this meeting which will be taking place at 1:30 today. Let me provide you with a little further background on how we reached this point. The principles involved in this legislation, primarily the people who spawned the idea and who are most supportive of it who will be meeting at 1:30 today. They have had a series of on-going discussions and negotiations. They have came up with several drafts of a proposed legislative product and currently, this is the refined version of that product. I have been on a weekly basis in communication with Mr. Riley in the Governor's Office to let him know how we proceeding along these lines and, in fact, I have kept your staff apprised as to what modifications were being made in this product so that it would be something that we would all feel comfortable supporting so that people would not

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have to...so that we could do something to address this problem. I indicated to Mr. Riley that it was my intention to move this matter ahead so that we could, in fact, have something as a basis of more concrete discussion this afternoon and that's why I'm asking that the Body adopt this Amendment and then I will hold this for any further activity pending substantive...subsequent discussions on the matter."

- Cowlishaw: "Let me understand then, Representative Schoenberg.

  Since this is a Senate Bill and if it is amended here, it has to go back to the Senate anyway."
- Schoenberg: "That's correct and I have spoken with the Senate Sponsor, Senator DeAngelis, who is also in communication with the interested parties on this measure. And we are all, we have all been enjoying a very positive working cooperative relationship and nothing will be going forward unless all parties are satisfied. But for the basis of today's meeting this is the appropriate measure."
- Cowlishaw: "All right, thank you very much, Representative Schoenberg. That is an excellent explanation and I think it was due to all of the Members of the chamber. I am particularly pleased to hear that the Senate Sponsor is Senator DeAngelis, a very reasonable man and very knowledgeable about things like bonds and bond authorities and ratings. Consequently, I think that since as long as this has to go back to the Senate anyway, and so we have that protection built into it, I would certainly have no objection with our proceeding to adopt Floor Amendment #5."

Speaker Giglio: "Representative Skinner."

Skinner: "Will the Gentleman yield? Excuse me, I have a point of order first. I'd like to know whether the Amendment is germane. I'd be happy to proceed with my questions while

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you consider that so we don't waste any time if you'd like."

Speaker Giglio: "Proceed."

Skinner: "How many, how much bonds are we authorizing here."

Speaker Giglio: "Representative Schoenberg, Representative Skinner wants to ask you a question."

Skinner: "The bond amount we are authorizing, please."

Schoenberg: "The Legislation has drafted, there is a ceiling involved of \$300 million. Pardon me, Sir. That does not necessarily mean that \$300 million in bonds can or will be done. It just sets a ceiling for this."

Skinner: "Do you have any clue how many authorized bonds the

State of Illinois has outstanding at the current time?

That is not bonds outstanding but authorization to issue bonds."

Schoenberg: "Pardon me, Sir. They are not state bonds. As I indicated in my opening remarks, the extent to which that these would be moral obligation or the option would exist for the authority to issue general obligation. Not the state mind you but the authority and that's...so, in essence what we've really done is provide optional protection for not just the State of Illinois but for the General Assembly as well."

Skinner: "Well, you were correct in interpreting my facial reaction that I think \$300 million to lay out on something that hasn't been proved at all is a very large amount. How many millions of dollars of bonds do you think will be sold in the first year?"

Schoenberg: "Could you hold on for one second, Sir?"

Skinner: "Certainly."

Schoenberg: "Mr. Skinner, I believe I have the answer to your question. The...if the existing research parks that are

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affiliated with universities in the state, if they were to...the initial offering would be recommended, would be in the amount of \$300 million. That is to, as I said, that ceiling is set so that we can...if, for example, other university related research parks such as one which has been discussed in the Champaign-Urbana area or if there were to be one done in affiliation with other institutions such as Northern Illinois or anybody else. This would also provide some room within that ceiling so that new institutions would be able to participate in this and as I said before, these would be revenue bonds with the moral authority. It's...the legislation is very explicit and that there would be no tax increase associated with any of this. And essentially would be collaterized with the..."

- Skinner: "But to get back to my question about how many million dollars of bonds will be sold the first year. You intend to sell the entire \$300 million the first year?"
- Schoenberg: "The initial offer...we've set the ceiling for the initial offering at 300 million and the basis for that has been that people associated with university affiliated research parks have informed us as to what their needs are.

  And this is not only able to enable them to meet those needs but also to provide a little room in the event that there is another start-up."
- Skinner: "All right, so we're not talking about authorizing the bonds that will be sold over the next ten years. You think all these bonds are going to be sold the first year?"
- Schoenberg: "The initial...what we've done is set the initial offering, a ceiling for the initial offering at three hundred."
- Skinner: "Okay, you answered the question and that meets one of my objections. It seems to me we should not authorize bonds

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that will be sold generations of politicians from now. We ought to do that on an annual basis."

Schoenberg: "You're absolutely correct and to just to your mind at ease a little more, Sir. Perhaps the most prominent...perhaps the most prominent demand on these bonds would be for the research park which is affiliated at Northwestern University and in Evanston. I'm pleased to say that this facility at 97% capacity and has created well over 600 jobs in the area. In fact, it's been so successful that the one start-up which is made up, which is qualified for a public offering on the stock exchange is now leaving the area because there is no room to put them within the existing facility and as you know, for high-tech and biotech businesses it is a common problem that banks find this...banks and other conventional finance heirs don't want to touch this."

Skinner: "Where is that company moving?"

Schoenberg: "Pardon me."

Skinner: "Where is that company moving?"

Schoenberg: "They're going to Mount Prospect, I believe."

Skinner: "Well, that's not exactly a net loss for the state."

Schoenberg: "One is not arguing that's a net loss, whether it's not a net loss for this state. It is a net loss however for that community and particularly when we give state associated economic development incentives such as tips and then you...and then in a community like Evanston where we have a disproportionately high number of things that drain on the local tax face. We're really working across purposes. I'll tell you something else, not to overwhelm you on this issue but I'll tell you something else, right when I had my initial discussions on the matter, it was called to my attention that I have a constituent who lives

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in Winnetka who...a gentleman who created a biotech, an optical biotech firm who commutes to Cambridge, Massachussetes every Monday because we in Illinois can't facilitate biotech and high-tech firms. Ι think that that's a damn shame that people who have the ingenuity, people who have the school, people who have the skills to create jobs and help the state's economic growth find it in their hearts that they...and in their pocket books that they have to go up to New England to create these jobs because we in Illinois aren't in a position to accommodate them."

Skinner: "Now, this entire agency will be off budget, right?

There will no Appropriation Committee action, ever."

Schoenberg: "Correct."

Skinner: "How are we going to stop the excesses that tend to be built into off-budget agencies such as the Illinois Housing Development Authority...Authority's use of \$20,000 worth of limousines when they went to visit Bond Counsel in New York City."

Schoenberg: "You and I, Sir, will watch this like a hawk."

Skinner: "We have no control even if we find it."

Speaker Giglio: "Representative Skinner, Amendment's germane."

Skinner: "Thank you. It bothers me a lot that there's going to be no legislative control over this agency after it is set up. We will have one vote in this House and until they need more bonds, they won't need us ever again. I would also suggest that while our collective wish fulfillment may be that government is able to figure out what companies are going to be winners and what companies are going to be losers. The experience of a small business administration which has been in the business of lending money to private companies a great deal longer than this agency will ever

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hasn't had a large amount of success. It is very difficult for governmental employees not to pay attention when Representative X or Representative Y or Senator X or Senator Y comes in and says, I have this great high-tech company idea that one of my constituents has brought to me. Won't you please give it some money? I...the only corruption that I can remember in the Thompson Administration had to do with giving away bond money was in the Department of Commerce and I just...well , optimism springs eternal I'm sure. We'd all like to have high-tech job spin-offs but there are definite dangers here and the dangers are that it will turn into another patronage haven expect instead of giving away individual jobs, it giving away tens of millions of dollars to start-up companies which will pay very high salaries to the principles. some οf whom will undoubtedly give contributions to some of us..."

Speaker Giglio: "Do you want to bring your remarks to a close?"

Skinner: "I thought I'd mentioned a no-no and perhaps I had been cut off because of that. There are dangers here. I'm sure we're going to pass this because we hope that high-tech jobs will benefit many of our districts. I'm pleased to see that the legislation includes private universities as well as public universities, that is something of a check and balance and I'll will certainly be watching to see whether the agency works out as you have projected. Thank you."

Speaker Giglio: "Representative Kaszak."

Kaszak: "Thank you, Mr. Speaker. I just wanted to echo the comments of Representative Schoenberg in connection with the corporation, start-up corporations that are leaving Illinois in order to start up businesses on the East Coast

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and West Coast. In addition to the individual that Representative Schoenberg spoke of earlier, I spoke to someone today who was from Deerfield who was planning on opening up a biotech firm and went to our universities and looked at the kind of support structure that was in place and decided, also the venture capitol that was or was not available, and decided it made a lot more sense for him to move to the East Coast because our support structure wasn't in place. This is an important component to that kind of support structure and I urge your support."

Speaker Giglio: "Representative Brady."

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

Speaker Giglio: "Indicates he will."

Brady: "Representative, the noise level's been high but just to summarize, this is calling for the issuance by an authority up to \$300 million in bonds to develop research facilities which must be affiliated with higher education, private or public, throughout this state."

Schoenberg: "That's correct and the legislation is...the legislation has been expertly drawn so that it is patterned on similar initiatives in several other states such as South Carolina, Florida, Hawaii and I believe, Conneticut is doing something as well. Mr. Brady, I would be...the legislation is crafted in a way so that for example, so that only...we don't want to put all institutions of higher education into the real estate business and the research park business."

Brady: "Let me ask you two other questions.'

Schoenberg: "Sure."

Brady: "How... Is affiliation defined in this bond in this piece of legislation?"

Schoenberg: "Yes, it is."

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- Brady: "What do you mean? Could you tell me what that is?"
- Schoenberg: "Certainly, if you can hold on one moment I'll point out the appropriate portion of it to you in the Bill. Mr. Brady, if you'll look at page 5 of the Amendment, the definition, lines 5 through 14, that should answer your question."
- Brady: "Okay. This is saying a research university means a public or private... I understand that but what kind of affiliation must exist? I mean how are you defining affiliation between a research site and the university?"
- Schoenberg: "Mr. Brady, on the same page on line 23 through,
  lines 23 through...extending onto page 6 through line 10.

  It defines what the relationship would be between the institutions."
- Brady: "I guess the question is, is the institution going to operate this facility and will they be responsible for the operation. Is that how your defining affiliation?"
- Schoenberg: "I'm sorry, could you repeat the question?"
- Brady: "Is the institution of higher education going to be responsible for this facility?"
- Schoenberg: "The responsibilities of the institution..."
- Brady: "So, the institution will be responsible for the operation in this facility therefore, creating affiliation."
- Schoenberg: "The institution, this could...conceivably if you look at the model. The institution does have an equal voice to the people operating the facility and in the cases that we have currently operational for example, the Evanston, the Northwestern Evanston Research Park. The partnership is such where the University has made a financial commitment towards it. The city has made a commitment and the actual research park is under private administration. However, the boards are associated with

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each other and it is indeed a cooperative venture."

Brady: "Okay. Last question. The \$300 million limit on authority, it's my understanding that in each issuance the state would have the obligation of covering the first year's cost."

Schoenberg: "I'm sorry, could you repeat that again?"

Brady: "Sure."

Schoenberg: "I apologize."

Brady: "Three hundred million dollar maximum authority, this Bill states that the State of Illinois will have the obligation of retiring the first year's cost of any issuance?"

Speaker Giglio: "Are we concluded?"

Schoenberg: "Pardon me, Sir. The cost of the issuance will be covered by the bond proceeds but we want to be able to..."

Brady: "Is there any obligation of the State of Illinois?"

Schoenberg: "The obligation of the State of Illinois is strictly a moral obligation the way this legislation is written..."

Brady: "No first year costs."

Schoenberg: "Correct."

Brady: "No start-up expenses."

Schoenberg: "The start-up expenses would be nominal and associated exclusively with the creation..."

Speaker Giglio: "Please, bring your remarks to a close."

Schoenberg: "I just want to add to answer Mr. Brady's question that on page 8, line 27 that the authority will reimburse the State Treasurer if practicable for prior costs and payments."

Brady: "So this is indeed intended to be self-sustaining and not a drain on state revenues?"

Speaker Giglio: "Representative Edley."

Edley: "Will the Sponsor yield for a question?"

Speaker Giglio: "I think he will."

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- Edley: "What's the purpose of the underlying Bill?"
- Schoenberg: "The underlying Bill deals with the Capitol

  Development Board and it alters the formula which school

  construction grants can be made."
- Edley: "And how much...The underlying Bill, does it authorize school construction bonds?"
- Schoenberg: "Mr. Edley, the Amendment, Amendment #5 guts the underlying Bill. However, I will tell you that in discussions with Senator DeAngelis and with Representative Cowlishaw, being sensitive to their requests what I intend to do is...I gave my word to the principles involved on this matter that it would, for the purposes of their negotiations today stand exclusively and I have told Representative Cowlishaw that I am open to subsequent discussions to deal with the issue, the issuance of school bonds on a separate occasion."
- Edley: "But voting for this Amendment will gut the underlying
  Bill which authorizes school bond construction money. Let
  me ask you another question. What colleges and universities
  would be able to participate in this bond authorization?
  Are they private as well as public?"
- Schoenberg: "Yes they are, there are currently three university affiliated research parks in the State of Illinois. As I indicated earlier, one is the Chicago Tech Park on Chicago's near west side. One is the affiliated Southern Illinois University at Edwardsville and one, perhaps the most successful one thus far, is a cooperative venture between Northwestern University and the Evanston Research Park."
- Edley: "Why would the State of Illinois want to expose themselves for a liability when these are private colleges that are operating these research parks. Doesn't that provide us

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with a liability without an input into the operations of these parks?"

Schoenberg: "The institution in the private case currently have that being with the Evanston Research Park is affiliated with Northwestern University. The Park, the Research Park is run...is privately managed the University certainly does has a very active presence in However, in response to Mr. Brady's questions and the earlier questions which were raised, I think by Mr. Skinner, I think that I've indicated that the institution, we don't want to put every institution into the real estate business but by the same token what we do want to do is take advantage of the potential for economic growth in high-tech and biotech areas where areas where the state can't stand behind these efforts. It's certainly more cost efficient than if we would be giving outright grants or tax incentives or even loan guarantees. This is a way where we can, I hate to say, I don't know if I can go so far as to say that Representative Skinner and I are ideological soulmates but I think...I see he just dropped his phone among other things. But I think we do share the view that we want government to do more steering and less rowing and here's a way where we can help some economic growth at a minimal and we can really serve the roll as facilitators."

Edley: "Mr. Speaker, to the Amendment, I don't think the State of Illinois ought to engage in underwriting private enterprise activities. I think that private enterprise operates best when private enterprise is responsible for the funding and ultimately for success of a venture. We in government all too often end up underwriting projects and becoming liable for their failure and insuring as the savings and loan situation is another example of it. Insuring people..."

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Speaker Giglio: "Representative Hughes."

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

Speaker Giglio: "Indicates he will."

Hughes: "I would like just to clarify very simply one thing about this. The bonds once issued, if the revenues are not generated by the projects to pay those bonds back, who bares that risk?"

Schoenberg: "The authority is responsible. Ιt has the obligations and the authority is responsible for reporting to the General Assembly how this is all adding up. indicated on several occasions before, this is a obliga...these are moral...the state's role is obligation. These are not general obligation bonds therefore, our risk is minimized but where we are able to help facilitate things is that conventional institutions such as banks, will not provide start-up capitol for high-tech and biotech."

Hughes: "I understand that. There is no guarantee behind these bonds, correct?"

Schoenberg: "Correct. These are moral obligation bonds."

Hughes: "So, if the bonds go into...are these bonds, do they have the ability to go into default? Let's say worse case scenario, the ventures that are funded all fail. Is that risk...who pays off those bonds or do they go into default?"

Schoenberg: "The obligation is exclusively in the hands of the authority unless the General Assembly decides to jump in and get involved but in the worse case scenario for example, it would...since the existing facilities are being pooled to collaterize for the bonds then the existing facilities would have to be expended prior to it even reaching that stage. And as I said before the legislation

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is so narrowly written that it would, it would primarily help those three university affiliated research parks which are operational and in the case of people who are interested, parties who are interested it would enable them to have an initial start-up because their area banks probably won't touch it."

Hughes: "I am not wishing to argue against the proposal. I'm simply wanting to clarify where the risk is born and assure that this is crafted in such a way that, I'm speaking to the Amendment now, that is crafted in such a way that the pressures are placed on the authority itself for very sound management and that's done by way of not guaranteeing these bonds."

Schoenberg: "The whole purpose, it's finitely drafted so that the purpose, and I wish Mr. Edley was here so I could look him in the eye and tell him this, our purpose here exclusively is for credit enhancement. These are moral obligation bonds. We want to be able to do credit enhancement. If the state...I will tell you as a matter of background that last year the Northwestern Evanston Research Park came to me to ask me to intercede with the State Treasurer for a loan guarantee. The State Treasurer didn't want to do that and this is certainly a more responsible way of addressing this problem than many of the other options which are out there. As much respect as I have for my seat mate, I think he is way off the mark on this."

Hughes: "Thank you."

Speaker Giglio: "Representative Flinn. Representative Flinn moves the previous question, all those in favor signify by saying 'aye'; opposed, 'no'. The previous question has been moved. Representative Schoenberg now asks for the adoption of the Amendment. All those in favor signify by

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- saying 'aye', opposed 'nay'. In the opinion of the Chair the 'ayes' have it. Amendment's adopted. Further Amendments?"
- Clerk Rossi: "Floor Amendment #6, offered by Representative Schoenberg."
- Speaker Giglio: "Representative Schoenberg on Amendment #6."
- Schoenberg: "Mr. Speaker, these are technical related Amendments that were last...late additions, late revisions to the initial draft. It does nothing to change anything but it merely makes us more incompliance with the law."
- Speaker Giglio: "All those in favor of the Amendment signify by saying 'aye'; opposed, 'no'. In the opinion of the Chair the 'ayes' have it. The Amendment is adopted. Further Amendments?"
- Clerk Rossi: "No further Amendments."
- Speaker Giglio: "Third Reading. Supplemental Calendar #2 on the Order of Concurrence, appears House Bill 381.

  Representative Hoffman. Representative Hoffman. Jay Hoffman, House Bill 381 on the Order of Concurrence."
- Hoffman: "I move to nonconcur on Senate Amendments 1, 4, 5 and 7."
- Speaker Giglio: "The Gentleman moves to nonconcur on Senate Amendments #1, 4, 5 and 7. All those in favor signify by saying 'aye'; opposed, 'nay'. In the opinion of the Chair the 'ayes' have it and the House nonconcurs Senate Amendments #1, 4, 5, 7 to House Bill 381. House Bill 1513. Representative Churchill. Representative Cross."
- Cross: "Yes, I move to nonconcur on Senate Amendment 1, 2 and 3."
- Speaker Giglio: "The Gentleman moves to nonconcur on Senate
  Amendments #1, 2, and 3 to House Bill 1513. All those in
  favor signify by saying 'aye'; opposed, 'nay'. In the
  opinion of the Chair the 'ayes' have it and the House

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- nonconcurs in Senate Amendments #1, 2, and 3 to House Bill 1513. The Gentleman from Kendall, Representative Cross."
- Cross: "Yes, Mr. Speaker. The Republicans wish to have a caucus immediately in Room 118 for about 45 minutes."
- Speaker Giglio: "All right, the Republicans will now caucus immediately in Room 118 and we will return at 1:15. The Chair would also like to remind the Members when we come back we are going to take up the Compensation Review Board Resolution. The Chair would like to reiterate when we come back from the Republican caucus, we are going to take up the Resolution with regard to the Compensation Review Board's Report. House stands in recess for the Republican caucus until 1:15."
- Speaker Steczo: "The House will reconvene in five minutes. Will all Members please report to the House Floor. The House will now come to order. On page 54 of the Calendar appears House Joint Resolution 147. Let the Chair indicate that it's the intention of the Chair to get the Resolution in final form so we will be adopting a number...a few Amendments on a voice vote, put the Amendment in final form and then allow discussion on the Resolution. Mr. Clerk, are there any Amendments?"
- Speaker Steczo: "All those in favor of the adoption of Amendment #1 will signify by saying 'aye'; those opposed by saying 'no'. The 'ayes' have it and the Amendment's adopted. Mr. Clerk, any further Amendments?"
- Clerk Rossi: "Floor Amendment #2, offered by Representative von Bergen Wessels."
- Speaker Steczo: "All those in favor of the adoption of Amendment #2 will signify by saying 'aye'; those opposed by saying

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- 'no'. The 'ayes' have it and Amendment #2 is adopted. Mr. Clerk, anything further?"
- Clerk Rossi: "Floor Amendment #3, offered by Representative
  Moffitt."
- Speaker Steczo: "All those in favor of the adoption of Amendment
  #3 will signify by saying 'aye'; those opposed 'no'. The
  'ayes' have it. Amendment #3 is adopted. Mr. Clerk, any
  further Amendments?"
- Clerk Rossi: "Floor Amendment #4, offered by Representative
  Moffitt."
- Speaker Steczo: "The Gentleman withdraws Amendment #4. The Chair recognizes Representative von Bergen Wessels on House Joint Resolution 147 as amended."
- von Bergen Wessels: "Thank you, Speakers, Members οf the This Resolution rejects the merit, the Compensation Review Board's recommendation of a salary increase for Legislators executive branch and judges. you all know, we are in very difficult financial straints. We already are among the highest paid of State Legislators. We have the highest base salary of any of our mid-west neighbors. My colleague to the south said it very well in his Amendment that we must lead by example. Representative Moffitt said we must lead by example. I agree with him and in these difficult times, I believe we have no business in raising our salary, all ready one of the substantially paid of all the 50 states, and I would urge your 'aye' votes on this Resolution."
- Speaker Steczo: "Representative Steczo in the Chair. The Lady
  has moved for the adoption of House Joint Resolution 147.
  On that is there any discussion? The Chair recognizes
  Representative Edley."
- Edley: "Thank you, Mr. Speaker, Ladies and Gentlemen of the

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General Assembly. For the Illinois citizens who thought that they were electing a conservative and responsible Senate and when they elected a Republican Senate, I think what happened today is a cold slap in the face. reality is down in Springfield, there are only two parties. the ins and the outs. And the insiders have cut a deal. I think that the House's Body should go on record strongly in rejecting a pay raise. Not necessarily because we don't work hard and maybe deserve some kind of a pay raise but because of the fact over the last three or four years, this state's physical condition is gone straight down hill. If we had the state's Medicaid bills paid and Health Care Reform in place, if we had reformed how we fund school systems in the State of Illinois, I think that we may illegitimately ask for more money but not in this sorry state that the State of Illinois' finances finds themselves today. So, I would urge an 'aye' vote on this Resolution and reject a pay raise."

Speaker Steczo: "Representative Daniels."

Daniels: "Mr. Speaker, Ladies and Gentlemen of the House. It's amazing for a man to stand up and say what the previous Speaker just said. One οf the Chairman of our Appropriations Committee as he's been in the process the time that he's been running the General Assembly will stand up and demigod this pay raise and complain about financial conditions of the State of Illinois when he has been one of the prime architects of the financial condition of this state. Now, I intend... I intend, I intend to vote against this Resolution but for many different reasons. And the previous Gentleman ought to be reminded too, in studying the roll call in the Senate, there were 19 Democrats that their actions caused a pay raise to be

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supported and 12 Republicans. So, obviously the previous Gentleman didn't study the record. Now, there are many things that we could say about right now but frankly, I don't think it's the appropriate time for us to be taking a pay raise. I think that everyone in this General Assembly works extremely hard and deserves a reasonably increase as time goes by. I'm satisfied with the COLA increase that is in place right now that will be taking effect in accordance with the previous law. I intend to vote against it but I don't intend to stand up and demigod the issue like the previous speaker just did."

Speaker Steczo: "Representative Flinn."

Flinn: "Mr. Speaker, I rarely get up and talk on any Resolution or any Bill. Most of you know that I get up and try to stop the debate. I'm up here to tell you now that for every pay raise that's ever passed in the 24 years I've been here, I've voted for it. And I went downstairs got in line and took it. And I want to tell you something else. Anybody who really believes you don't deserve a raise ought to be prepared to stand on the Floor and say he wouldn't take it, he would give it back. That's exactly what you ought to do. I understand the people that can't vote for it because of the election. I understand that very much and I don't think there should be any howl and yell about who votes how. I'll tell you this right now, if was up here and could get the pay raise, this is the first time I won't be able to get it, but if I could get it I sure as hell would vote for it and I think I'll vote for it anyway."

Speaker Steczo: "Is there any further discussion? Representative Moffitt."

Moffitt: "Thank you, Mr. Speaker and Ladies and Gentlemen of the

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House. I rise in support of House Joint Resolution 147 which would reject the Compensation Review Board Report. I don't think we need to take a lot of time and make it a partisan issue or try to make points in that respect. It just comes down to the simple issue whether or not you want to improve a pay raise for yourself, whether or not the General Assembly is going to lead by example. That's the real issue and I think that we need to approve this Resolution that Representative Wessels has introduced now as amended that would reject the Compensation Pay Review Board's Report. Thank you."

Speaker Steczo: "Representative Ostenburg."

Ostenburg: "Thank you, Mr. Speaker, Ladies and Gentlemen of House. I also rise in support of this Resolution as a Cosponsor of it. I have to say that I believe everybody in this General Assembly deserves a lot more than currently receive. From my part, I took a \$12,000 cut in pay to come to the General Assembly. I know a lot of other people did also. And I don't think that I've ever worked at a job harder than I've worked here but I don't think that that's the issue at hand today. The issue is the fact that the State of Illinois is facing severe the issue is that we have not provided financial crisis, the kind of funding for our schools that's necessary, issue is that we have medicare costs that are facing the state that are astronomical. And even though the amount of the pay raise would be relatively small compared to some of those needs, I think that it's the type of gesture that has to demonstrate to the citizens of the state that we are, in fact, concerned about solving the problems that we were sent here for before we take action to increase our own salaries. It's not a case of anyone not deserving it, it's

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not a case of not needing it, in fact, but it's the very simple principle that we have to take care of the more important issues that face this state first before we start passing out pay increases and I would urge everyone to support this Resolution."

Speaker Steczo: "Representative Pedersen."

Pedersen: "Thank you, Mr. Speaker and Ladies and Gentlemen of the House. I too, oppose the wage increase but for different reasons. Until we learn how to live within our means, until we cut spending and taxes so that we can create a job's climate in the private sector, not messing around with lots of regulation and government interference and trying to, quotation marks, help the private sector, just reduce taxes and spendings so that we create a good job's climate for the people in this state. Then maybe those people out there would be happy that we got a little pay raise. We would have earned it."

Speaker Steczo: "Representative Biggins."

Biggins: "Thank you, Mr. Speaker. In following this year's Session, noting the difficulties I've been hearing a lot of problems and moaning and whaling from the Senate Democrats that they can't get anything passed out of that chamber. So they've had this terrible time this year. Well, they finally did today, 18 of them led the charge, they finally got something passed. And I'm very disappointed that 18 of those Senate Democrats would do this and I hope that the Democrats on our side of aisle aren't going to follow this example to vote themselves a huge pay increase as the Senate Democrats did in the other side of the chamber."

Speaker Steczo: "Representative Hawkins."

Hawkins: "I think, Mr. Speaker, everybody here knows that the action that we are going to take right now will have

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absolutely no affect whatsoever on our pay raise and I suggest that we all get on with the work of the General Assembly and have our staffs put together the press releases about this issue."

- Speaker Steczo: "Representative Wennlund."
- Wennlund: "Thank you, Mr. Speaker. I move the previous question."
- Speaker Steczo: "Representative Wennlund, there's only one more individual seeking recognition. Representative Giolitto."
- Giolitto: "Thank you, Mr. Speaker. I rise in support of this When I first heard the news that a pay raise Resolution. was even being considered. I was in shock. was absolutely appalled. All I've heard ever since I've been here is that we have to make cuts. Ever since I became a Legislator, when I met with people back home and every single agency who is trying to help people as far as mental health goes, the drug programs. Everything is grossly So, if we can't afford to fund the programs underfunded. that are needed for the people in this state, I think it's ludicrous that we should except more money."
- Speaker Steczo: "The Chair recognizes Representative von Bergen Wessels to close."
- von Bergen Wessels: "Thank you, Speaker. An 'aye' vote is to reject the Compensation Review Board's recommendation of a salary increase. Let the people back home know that the needs of our school children, our families and our Senior Citizens come before our needs, their needs come first and I urge your 'aye' vote."
- Speaker Steczo: "The Lady has moved for the adoption of House Joint Resolution 147. All those in favor of the adoption of the Resolution will signify by voting 'aye'; those opposed by voting 'no'. The voting is open.

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Representative Dunn."

- Dunn: "Thank you, Mr. Speaker and Ladies and Gentlemen of the House. I would just like to announce that as a candidate for judge, I'm going to vote present on this Resolution."
- Speaker Steczo: "Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, please take the record. On this question there are 105 voting 'yes', 3 voting 'no', 9 voting 'present' and the House does adopt House Joint Resolution 147. Representative Kubik in the Chair."
- Kubik: "Thank you, Mr. Speaker. If I could have the attention of the Body for just one moment. As you notice at the foot of the well, we have...we have Beesy Bear joining us from Brookfield Zoo and as you know, today is Brookfield Zoo I'm very proud along with Representative Walsh to represent the Brookfield Zoo and we have a couple of people who have made the day a great day for a lot of young people from both Legislators and staff. I'd like to first of all introduce Jill Alreed who is the Director of Governmental Relations for the Brookfield Zoo. Jill is to my left and would hope that you would give her a warm welcome. And if I could have your attention, I'd like to introduce Cynthia Vernon who is the Director of Education for the 200 and she will introduce the Dosents who have participated in the program today. Cynthia."
- Cynthia: "Thank you very much, Representative Kubik. In appreciation for your support, today we have provided a fun day of educational activities for more than 90 of the Legislators' and staff children. So, we had a great day and we hope that your children had as fun of a day as we did. I would like to introduce those staff and volunteers who have provided those fun programs to the immediate, to

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your immediate left. Laura Jacick, Kim Coon, Linda Flanner, Anna Vochs, Lynette DiJonette, Anne Fitzpatrick, Mary Landis, Jane Klimpky, Lou Tomes, Lou Crazea, Linda Roosens and of course Beezy Bear. Thank you again for your support. Look for us next year."

- Speaker Kubik: "I would also point out that Beezy is available for photo opportunities in the front so feel free to come up and take a picture with 'Beezy' Bear. Thank you very much."
- Speaker Steczo: "Representative Steczo in the Chair. There will be no further business to come before the House. Representative Granberg now moves that the House stand adjourned until Tuesday, June 21st at the hour of noon. All those in favor will signify by saying 'aye'; allowing the Clerk perfunctory time, all those opposed say 'no'. The 'ayes' have it. The House now stands adjourned until Tuesday, June 21st at the hour of noon."
- Clerk McLennand: "This Perfunctory Session will be in order. Messages from the Senate. Message from the Senate by Jim Harry, Secretary of the Senate. Mr. Speaker, I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of following Joint Resolution to wit. House Joint Resolution #124, together with the attached Amendment there too and the adoption of which I am instructed to ask concurrence of the Senate Amendment #1 to House Joint Resolution #124 passed by the Senate as amended June 15, 1994, offered by Jim Harry, Secretary of the Senate. Being no further business, the House Perfunctory Session will be adjourned and the House will reconvene on Tuesday, June 21 at the hour of noon."

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