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- Speaker Madigan: "The House shall come to order. The House shall come to order. The Members shall take their chairs. Will the guests in the Chamber please find a place to be seated? The House shall come to order. Our invocation this morning will be a song which will be done for us by the Phelps Brothers. Those in the Gallery may wish to rise and join us for the invocation."
- Phelps: "Let our prayers go up with this song. <u>How Great Thou</u>

 <u>Art</u>, sung by the Phelps brothers."
- Phelps: "Help me with the Pledge, please. Will you place the flag? 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 Madigan: "Is everybody awake? Roll Call for Attendance.

 Mr. Cross. The Chair recognizes Mr. Cross."
- Cross: "Thank you, Mr. Speaker. We're all here this morning on the Republican side. Thank You."
- Speaker Madigan: "Thank you, Mr. Cross. Representative Currie."
- Currie: "Thank you, Speaker. Please let the Record show that there are no excused absences this morning among House Democrats."
- Speaker Madigan: "Let the Record show that there are no excused absences. Mr. Clerk, take the Attendance Roll Call. On this question are 118 Members responding to the Attendance Roll Call. There is a quorum present. The Chair recognizes Representative Currie for a Motion."
- Currie: "Thank you Speaker. I move that we dissolve into a Committee of the Whole for purposes of the Education Hearing this morning."
- Speaker Madigan: "You've all heard the Motion. Those in favor say 'aye'; those opposed say 'no'. The 'ayes' have it.

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The Motion is adopted. We hereby resolve into a Committee of the Whole and the Chair recognizes Representative Phelps for the purpose of conducting the Hearing."

Chairman Phelps: "Representative Cowlishaw, will you please join me at the podium? Good morning, Ladies and Gentlemen. like to welcome all of you to this meeting on Education Funding Reform. I am State Representative David Phelps, Chairman of the House Committee on Elementary and Secondary Education. Today we are a part of sort of a historic occasion, I believe, for this may mark the first time we, as a Legislative House, have met as a Committee of the specifically on Education. Whole Yet that concept Education, the transmission of civilization from generation to the next, is so important that we cannot delegate it to some small room for a few. As Governor Edgar mentioned in his State of the State Message, many of us stood in before the voters last year and promised School Funding Reform. Governor Edgar correctly pointed out that if this task were easy it would have been accomplished years ago. This year we have a unique opportunity, everyone agrees something should be done. Now is the time to find out what can be done and do it. It's time to either act or stop talking about it. We need to hear all our options, plans and proposals, for it is true that none of us is as smart as all of us. Many difficult aspects lay before us, who pays, how we pay, equity, and disparity. These indeed are thorny issues, yet not a person here can deny that our schools do not have equality of resources. Or as one author has put it, 'Equality is like ice. Sure we all get ice. The poorer just get it in the winter.' It is in this spirit of the whole that I call on each and every one of my colleagues to remain open-minded and

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fair-minded and to try to get rid of the aisles of For we must all work together in a partisanship. bipartisan manner. Finally, if we cannot act as a whole we will be remembered as the Body in which we gave lip service only and buried the whole issue in the black hole of We have asked our education leaders, the business leaders, and community leaders to give us their thoughts and we have spoken with all the people and organizations that we know about that have particular plans to bring forward to us today. I've got just a few announcements that I hope you understand very clearly right up front. will try to... I hope you have a copy of the agenda by now, and we will try to proceed through the agenda on a timely manner and we will save questions for all the Members only at the very end. Because I've been around here long enough to know once we start letting those folks ask questions we won't get to the end. So bear with us, but we will have questions at the very end. I would like to, at this time recognize special guests that are here today and I'll probably leave some out that are just as special, but first we have the Superintendent of Schools of the State Board of Education, Joseph Spagnolo. Joseph, good to have you with Will you stand wherever you're at? There he is, back here. Thanks, Joe. Also, we have the new Chairman of the State Board of Education, Lou Mervis. Lou is there by the Superintendent. Thank you for being here, I know you've driven quite a ways. Our friends in the Gallery, at the very end I'll try to announce this again may have some questions you would like to ask. We won't have time for all of you to come to the microphone, naturally, but if you have a question we have index cards or you can write it on something. Give it to your Legislator or whoever you trust

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with that and we'll ask them to relay that to us for you.

I would like to introduce my colleague, the former

Chairperson of the Education Committee in the House, Mary

Lou Cowlishaw, for some remarks."

Cowlishaw: "Thank you, Representative Phelps. Good morning. Welcome to all of you. I speak only for myself when I I certainly welcome any efforts to be bipartisan. to me that the toughest issues are those that require the greatest degree of bipartisanship. I also welcome this opportunity to use a process known as the Committee of the Whole. It is a process that is used in the Congress of the United States. It is a process that says we welcome open government, open debate, much participation, not just by elected officials, but by all of the citizens of this I hope that that process will be duplicated here today, and that all of us who are here to represent the folks back home have an opportunity to be participants in this ongoing discussion. Thank you all for being here today."

Chairman Phelps: "Thank you, Representative Cowlishaw. Also, I would like to recognize Mr. Mark Boozell, who is Governor Edgar's point person on Education Funding this year, and Al Grosboll from his office, are both here. Thank you, Mark, for coming. Al's around here somewhere. We'll try to get started and stay on time. We have a rugged agenda. We want everybody to speak that asked to be on the program and have indicated they have a specific program or proposal that they would like to present for us to consider. I did not really thank all of you that have driven quite a ways throughout the state to come here. We tried to get invitations out the best we could to make sure that you were invited for this open hearing. This will not be a

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hearing as many of you have observed Committee action where we will have debate, questions and Motions and so forth. We are just offering this as a forum to get all the proposals out on the table so we can be better informed about what may proceed before we end up this Session in hopefully, meaningful School Funding Reform. it's my honor to introduce a person who has had years of experience with education as a Legislator and otherwise and brings a very rich heritage of background on what's taken place in regards to Education the last few years around here. And I'm so honored that he was very receptive to be with us today. Senator John Maitland will open the meeting with some remarks, followed by Senator Art Berman, and I'll be introducing him. You get up here. The other witnesses who will be testifying can just come down where the Clerk's desk is, but Senator Maitland will be up here."

Senator Maitland: "Representative Phelps, good morning and thank you for providing this forum. Speaker Madigan, Leader Daniels, Ladies and Gentlemen of the House, Ladies and Gentlemen and friends of Education. I want to start the hearing out this morning with giving you a chronology of what Illinois has done with reform, reform at all levels of our elementary and secondary system over the last 10 or 11 President Reagan, back in the early commissioned a task force to study elementary and secondary all across the country, and the result of that study was, as you all recall, a report called 'A Nation At Risk', that was very critical of our system all across the nation. Illinois, its Legislature, its four legislative leaders at that time put together a task force instate to deal with the issue, and for two years we addressed the concern of reforming Education in Illinois. Those hearings, those

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studies produced the Educational Reform Act of 1985, and that very report's roots were dealing with at-risk education, boys and girls who are at risk of academic failure, concerned that if they weren't ready to learn when they started to school, they would bring down educational ability of those students who were prepared, and they themselves would never make it to the level they should upon graduation. Our report was copied by other states around the nation. Senator Berman, Representative Hoffman, some in this Assembly today, and me, spoke in other states and they copied what Illinois did. That was the first wave of reform in Illinois. Later in the '80s we had the first legislation dealing with Chicago school reform, where we created the LSCs, individual school boards where parents could get involved, and that was the beginning of parental involvement. a 1991 Pass the Accountability Legislation. That legislation was demanded, and rightfully so, by our friends in the business community who said our schools weren't accountable. They weren't providing the quality education that our boys and girls needed. That was a marriage between business and labor and educators and all citizens in the country. We upgraded IGAP and now have in place good measures by which we can determine how well our boys and girls are doing. And after that exercise we then passed the final wave of reform in Chicago where we worked Mayor Daley and created a system now that is accountable in the City of Chicago, where Paul Vallas and the Mayor and the Board are working to make that system in Chicago one of the finest urban school districts in the nation. But there's one final piece to this giant puzzle, and that's the concern about funding. Fair funding,

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equitable funding, adequate funding, and fairness, that's what we are all about today. Representative Phelps indicated that when everyone ran for office last fall they promised to come to Springfield and bring about school funding reform. Not that we all agree, because we don't, but promise to come to Springfield and bring this activity together. It has to be understood, Ladies and Gentlemen, the demands on education are much different now than they were when most of us were in school two generations ago. We have better and brighter and more intellectually strong students brought about by the computer age and simply families wanting their boys and girls to do better. So we have that side of the spectrum. On the other side we have the students who come to school not prepared to learn. Because of this wider diversity and the quality of student that we have, the brightest on one side and the ones on the other side who are not prepared to learn, takes more efforts from our schools. That. elementary teacher, in a 30 student classroom with this wide divergence of ability, has a greater problem assuring that the gifted child can reach his or her potential, by the same token, the other child reaches its best potential as well. Just as you drove here today in a car that is so more computer literate than Freedom 7, the capsule that John Glenn orbited the world in, SO is demands on the school. So are the demands on the school. That car we all drove many years ago didn't have any of those computer facilities that the cars now have. true with our schools. The demands are absolutely different. You will hear today that the educational expenditure in this state has risen dramatically, and it There is no question about that. So has the price of has.

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that new car. Look what you're getting with that new car compared to what you got 20, 25 years ago. Our schools are demanding more and more because they're educating a greater diversity of children. What do we have to do? And Senator Berman is going to go into more detail, but let me just mention briefly. We must determine what an adequacy level for funding all of our boys and girls. Until a few years ago, we didn't have a methodology to determine that. We now, if we're going to adequately fund schools, have to measure schools that have high test scores and efficiency, see how well they are doing and develop a methodology that tells you how much, how much it takes in money, dollars, to educate a boy and a girl, based on regional differences in cost, and everybody understands that. Until we fill that hub of the wheel and know what adequacy is all about, everything else will fail. Once we determine that, then we move forward. Then we deal with the issue of equity. Fairness to all boys and girls and fairness to all taxpayers, and therein lies the difficulty for all of us. Funding of education, bringing about reform is not a Republican/Democratic issue it is more of a regional issue, and every one of us in this Chamber know that. But we must deal with the issue of equity. And finally, the issue of property tax relief. Our burden has become ever more greater on individual residences, small businesses most importantly, more difficult upon senior citizens. absolutely must, today, remove that trend and balance way we fund schools in Illinois. President Philip has indicated to me and others that our Chamber stands ready to work, to deal with this issue this spring. The future of our boys and girls are at stake. The future of our state is at stake and I'm committed, this spring, to bringing

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this reform about. Thank you very much, Mr. Chairman."

Chairman Phelps: "Thank you, Senator Maitland. What would a Education Committee meeting be, or any kind of meeting for that matter in the Legislature, without the legendary Senator Art Berman? Not to be disrespectful, but I was reading the comments he was making on education when I was in high school. So, Senator Art Berman."

Senator Berman: "I think that was a compliment. Well I'll tell you, I was going to stand up here this morning, I was honored by the invitation to join you and I was going to sing, but I didn't want to upstage David. Mr. Speaker Madigan, Minority Leader Daniels, Chairman Phelps, other presenters and my fellow Legislators, thank you for the invitation for Senator Maitland and I to join you this morning. Both of us have been working long and hard on this subject and we are optimistic that this Session will see some dramatic results. As background, I've asked that an article be distributed that gives us a little picture of where Illinois is. If you'll look at the date at the top of the article it says October 23, 1994, and the title of the article is 'Divided State Doles Out Unequal Education For All'. This article in October of 1994 is very relevant in February of 1997. Very little has changed. The current state of educational funding in Illinois is something that we ought to take a look at so we know where we want to move from. Many of you participated in the task force that Senator Maitland talked about, the task force that met during 1991 and 1992, called the Illinois Task Force on School Finance. The report of that task force, which was issued in January of 1993, began by stating, 'The schools and school children of Illinois have long been burdened by an inadequate and inequitable system of school finance.

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inadequacy and inequity lessen the educational opportunities available to our children and diminish Illinois' ability to meet the economic changes of the future.' That task force was the first of two commissions which have met in the last five years to study education finance in Illinois. Both commissions have looked at questions of adequacy and equity. In terms of adequacy the issue can be posed as follows: What is the minimum amount of unrestricted revenue needed per pupil to finance a basic education? The Task Force on School Finance in its 1993 report recommended \$3,898 per student as the 'foundation level'. Three years later, last March, the Governor's Commission on Education Funding, the Ikenberry Commission, recommended \$4,225 per pupil. Based on the Fiscal Year 1997 General State Aid Appropriation the current foundation level in Illinois is only \$3,060, 3-0-6-0. About 2/3 of what it should be. In actuality unrestricted revenue per pupil in Illinois school districts ranges from a top of \$16,400 to a bottom of \$2,635. According to the Ikenberry Commission 656 school districts out of 906 school districts have revenues less than the minimum needed to finance a basic education. Six hundred and fifty-six out of our school districts, inadequate funding. The Task Force on School Finance found that 600 thousand students, that's 600 thousand children of our constituents, of our children, 600 thousand students lived in districts that did not have the minimum revenues needed to finance a basic education. The problem is simple, it's a lack of state support. schools mainly through local property taxes. Fifty-nine percent of school revenue is from property taxes. Only thirty-two percent is from the State of Illinois and only nine percent is from the Federal Government. The problem

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with the reliance on property taxes to fund schools is well-known and hardly needs to be reiterated. Maitland mentioned it and everyone of you have heard it during your campaigns from people who say, 'The amount my property taxes are outrageous.' Property taxpayers are shouldering an ever increasing share of school funding. represents today \$7.2 billion, that's with a 'B', billion dollars in local revenue. The property tax is sufficient, I'm sorry is insufficient in many districts to finance a high quality education. How much can be raised locally depends upon the assessed value of real estate in the district, but real estate values grow unevenly throughout the State of Illinois. In property tax parlance we use the term Equalized Assessed Value, EAV for short. technical term for the real estate values that determine school funding on a local level. Most of the EAV growth since 1981 has been in the Chicago metropolitan area, but even there it has been unequal. If we eliminate the wealthiest five percent of the school districts and the the poorest five percent of the school districts, so we don't take too great a disparity, even with eliminating the top and bottom five percent, wealthier elementary districts have 11 times the property wealth that the poorer districts have to fund themselves. School districts funding is now more equal than it was in 1970 when we adopted the new State Constitution. With the relatively low level of state funding school district budgets are made or broken by how much can be raised locally through the property tax. From the standpoint of a schoolchild in a low EAV district there are lower teacher salaries, fewer support staff, less access to technology, fewer academic offerings of courses, and fewer extra curricular activities. Overreliance on

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property taxes is fundamentally unfair in other ways. Variations in local property wealth means that tax effort little relationship to the level of resources generated. There are 200 school districts representing 15% of the students of Illinois whose communities tax above the average rate, but because of their low tax base raise than the median level of revenue per pupil. Within Cook County, for example, Park Forest Elementary District must tax at four times the rate that is levied in the Norridge Elementary District to generate the same revenue per pupil. A more stark comparison is between East St. Louis and Two unit districts at opposite ends of the EAV spectrum. Listen to this when we talk about disparities, a nickel, five cent property tax increase in East St. Louis would generate an additional \$200 per student. A five cent tax increase in Byron would generate an additional \$41,000 per pupil. The fact that 130 thousand students reside in districts with high levels of revenue is not a problem. State policy need not alter the ability of communities to exceptionally high levels of funding if the residents of that community have chosen to do so The problem with exceptionally high revenues ballot box. per pupil in a few districts, is that it indicates that the state has created and perpetuated a system of educational finance which distributes educational revenue inequitably. A fortunate group of students have access to excellent programs and opportunities while the vast majority of students in Illinois do not. The essential problem is that over the past two decades, state funding for education has not even kept pace with inflation, while property tax revenues as a share of total education has skyrocketed. Sixty-five percent of that revenue growth over the last 20

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from years has come property taxes. The state's contribution to school funding during the past 20 years has increased by \$1.9 billion. That's a lot of money, but that 22% lower than the rate of inflation. Property taxes have gone up \$5.3 billion in those 20 years, which has been 46% higher than inflation. For every dollar of funding, property taxes have contributed an additional \$2.79. As a result, children in districts that are more dependent on state aid, because of a lower EAV in their districts, have been short-changed by reliance on property taxes and the failure of the state to provide more funding. In 1993 the Task Force on School Finance was charged with bringing together a plan that would insure adequate state funding for all districts in Illinois at a greater level than the present system provides. In 1993, after two years of hearings that Senator Maitland referred to, that task force reported among the following recommendations: A \$3,898 foundation level was recommended with periodic upgrades. There should be a regional cost index to reflect the differences of providing services in different parts of Illinois. should level up by increasing the revenues available to the poor school districts but not level down. Don't bring the high quality districts down. We should provide property tax relief. There should be permissive tax for capital projects, and we should try to encourage consolidation to provide a stronger base of property tax availability for school districts, especially small ones. In March of 1996, three years after that task force report was issued, a blue ribbon panel appointed by the Governor, known as the Ikenberry Commission, issued its report on school finance reform. The most important recommendation was dramatically

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the same as the 1993 Task Force Report. The Ikenberry recommendation was that the foundation level should be That was their recommendation in 1996. The first \$4,225. Task Force in 1993 was \$3,898. When you figure in the inflation in those three years it's almost to the penny, and whenever you find two totally separate governmental bodies that agree upon the same number for such a hotly contested issue as the amount necessary to provide a basic education, it's amazing. And those two task forces agreed. Now we must decide how we're going to address those. On the revenue side, we must be sure that property tax reductions and tax increases are fairer to the Illinois citizens, taxpayers. There are important issues that both commissions recognized and almost everyone in this Body, in the Senate and the Governor, have campaigned on. funding for schools, property tax relief, making the system more equitable for children in low EAV districts, imposing meaningful fiscal and academic accountability. Ladies and Gentlemen, our goals can be achieved in the next three That's scary when you mention three months after decades of discussion, but we can achieve those goals in the next three months if we are honest with ourselves and with the citizens of Illinois and make the tough decisions, which are the right decisions for our children. We have studied the issues long enough. A freshman in high school in a low property wealth district at the time of the Task Force Report would have been graduating when the Ikenberry Commission Report was issued. Graduating with a high school experience where the necessary resources for a quality education were absent. Shame on us. We have a great state, but it is not good enough for our children. We have the resources to provide for our children, but we,

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you and I, have lacked the will to do so. We can, we must do better for our children. Thank you."

Chairman Phelps: "Thank you, Senator Berman and Senator Maitland.

You've brought the prestige needed to this meeting.

Representative Cowlishaw, I need you up here after a few minutes. Lisa Marco Kouba, parent of two, is a resident of Western Springs, Illinois. Ms. Kouba has become active in the education funding issue on behalf of parents and community members. Ms. Kouba organized a petition drive which collected thousands of signatures from citizens across the state asking the Governor and the General Assembly to improve education funding in Illinois this year. Ms. Kouba recently met with Governor Edgar and also myself, with Leadership from other four legislative caucuses to discuss the topic. I'd like to introduce Ms. Lisa Marco Kouba for a few remarks."

Lisa Kouba: "Thank you, Representative Phelps, Speaker Madigan, esteemed Legislators. It is a great honor and privilege to be here today, and I thank you for inviting me to speak to Like you, I too, am here in a representative capacity. I have before me a petition signed by over 6,600 constituents from throughout the State of Illinois. probably every district in which one of you from represents. Calling for the Illinois Legislature resolve the issue of education funding in this Session of the General Assembly. I best appear here as a constituent, a spokesperson for the average Illinois citizen. petition demonstrates that this issue of education funding does not just affect our children, it affects everyone, whether young or old, Democrat or Republican, downstate, suburban or city. Education funding also affects each one of you, whether or not you sit on an education committee.

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If you sit on a business and commerce committee you know that a highly educated populous is employable. They will add to the tax base and make it grow. Many will start new small businesses which employ yet other people. If you sit on a committee dealing with crime prevention, you know that highly educated employable populous is less likely to commit violent crimes, thus diminishing the need additional prisons and crime prevention expenditures. And if you sit on a health and welfare committee, you know that a highly educated employable populous is less likely to be on welfare, thereby lessening the demand for welfare and entitlements. The fact is, education pervades every aspect of our society. It is the foundation for our development and, in a large part, a barometer of our success as I am a member of a grass roots organization known as the Lyons Township Legislative Council. It consists of hundreds of parents, grandparents, senior citizens and educators, who are concerned about Illinois' current method of education funding. Many similar organizations are springing up throughout Illinois. The fact that so individuals are willing to take time out of their busy schedules to address this issue, signals that the problem of education funding has reached a crisis level. It demands action now. While the state recently began increasing the dollars spent on education, the fact remains that the percentage of state revenues funding education has dropped from 46.9% in 1976 to 32.3% in 1996. The difference is even more dramatic in individual districts throughout this state. For example, in my district the state provided 45.8% of revenues for education funding in 1976, but only 7.8% in 1996. Until now, the shortfall has been made up through property taxes. But the ability to rely heavily on

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property taxes is gone. Senior citizens, living on fixed incomes, simply cannot absorb ever increasing property taxes. After years of shouldering the burden of increasing property taxes, many areas have imposed tax caps, even in the face of dramatically increasing enrollment. the current foundation level bears no rational relationship to the actual cost of education. Although education is the fabric of our society, it is been relegated to a remnant in the budget, receiving what is left over, rather than funding education first at a level commensurate with its PTA's and private foundations are called upon to pay, not simply for enrichment programs, but for computers, textbooks, capital improvements and other fundamental needs of a basic education. Finally, there is a dire need for capital improvements to a great many of our schools. Some buildings are 100 years old, dilapidated and unsuitable for our children. Other buildings have shells that may be structurally sound, but need major renovations to plumbing, fixtures, and have antiquated wiring systems, incapable of accommodating today's technology. Other areas are facing increasing enrollments and desperately need to build or expand their schools. These problems are real. They are difficult and complex, but they need solutions now. Today we will be hearing from various groups who have dedicated many long hours to developing proposed solutions to the education funding crisis. You may not like every aspect of every plan proposed, but rather than reject the proposals in their entirety, we ask that you look at these proposals as a smorgasbord from which you can choose the best alternatives that meet the needs of all. Your constituents recognize that there are many demands placed on state revenues. We urge you to be open-minded and creative in

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finding a solution that provides a stable source of income at a fair foundation level reflective of the actual cost of Real property tax relief, and a education. situation for every district without hurting any district. To do this, you must set aside partisan and regional politics, line drawing in the sand and self-interest is counterproductive. It does no good for each of the House and Senate, Democrats and Republicans, to promote their own plans when none will have sufficient votes to pass. Ending the Session without any plan is not an option. The status quo is simply intolerable. Your constituents want you to work together to develop a consensus plan. That does not that the plan can be a watered-down, temporary fix, or an empty shell for you to put in a glossy brochure at election time, but which provides no real reform, or one that benefits some, but not all. You must roll up your sleeves, dispense with politics as usual and tackle head- on, from the ground up, the enormous task before you. Some of you may be fortunate to represent the minority of districts where there currently is no pressing need for additional funds or capital improvements, but even you cannot ignore this problem. For to do so is saying to the rest of us, your end of the boat has a leak. Rather than be obstructionists to the reform process, you can be part of the solution, ensuring that the plan ultimately adopted is fair and beneficial to all. We urge you to embrace our Illinois spirit and Midwestern values, which teach us not to ask whether I have enough, but whether we can do better for all. In my wildest dreams I never could have imagined that I would be here today addressing this august Body about education system that my children will be in for the next decade or more. I'm inspired by the fact

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that we are here today, and in an historic Meeting of the Whole, reminded that while elected by individual districts, together, in this room, you represent the entirety of the state and hold in your hands the future of every Illinois child for generations to come. You came to Springfield to make a difference in this world. In reforming education funding your actions will impact and help shape millions of young lives. You can meet this challenge. have great minds, compassion, creativity, and a fervent drive to do what is right. You are in a unique position of having not only the opportunity to develop a vision for the future, but the ability to make it a reality. month of celebrating Presidents' Day, we are reminded of Abraham Lincoln, who emerged from the Illinois General Assembly to become one of the greatest presidents of all time. He faced enormous challenge in bringing together, into Union, two factions with widely divergent one interests. Through his efforts, the North and South were united to eventually form what has become the greatest nation on earth. Abraham Lincoln lived in a time pivotal the history of our nation, but you too, live at a time pivotal to the future of our state. While those in this Chamber may have some divergent interests, they must be addressed and overcome so that we can emerge a stronger We have seen our state be transformed from an state. agrarian society by the Industrial Revolution and with the advent of the Internet, we are now at the inception of the Information Revolution. To keep pace with the Information Revolution and to prepare our children for the next millennium, we need an education revolution. You can make it happen starting today. Thank you."

Speaker Phelps: "Thank you, Ms. Kouba, for your time and

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interest. Mr. Warfield and the Illinois Farm Bureau had been actively pursuing changes in the Illinois Education Funding structure for many years. Ron Warfield, who is the president of the Illinois Farm Bureau is with us today. Ron, thank you for coming. We are trying to encourage all the presenters to stay within at least 10 minutes if we can ask your indulgence in that. Thank you."

Ron Warfield: "Speaker Madigan, Republican Leader Daniels, Mr. Chairman, and distinguished Members of the House. I speak to this Body today with a deep sense of respect for what you have done for education in the last decade, and a new feeling of optimism about what you will do this year. bring you the message that Farm Bureau members are firmly committed in helping you reform education funding and making our schools more equitable and accountable, and making our tax system more fair. Education reform is possible this year only because this reform effort is built upon a foundation laid down by the General Assembly over the past decade. As Senator Maitland has accounted for you this morning the beginning of 1985, this Body has been responsible for numerous reforms in Illinois education. From school performance standards in the mid '80's, to Chicago school reform in the '90's. You have worked hard to improve public education in this state. I applaud these efforts, your determination to do more. And now we can take the next step together. I am optimistic as we approach education funding reform in 1997. Optimistic because there is a growing and emerging consensus on the basic principles that should guide that reform. That emerging consensus includes: There must be property tax relief; there must be new funding for education, primarily from the state income tax. There must be a foundation level

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there of funding, and must be both educational accountability, in terms of results, and local control, in terms of decision-making. In the Farm Bureau's view, the key principles of reform can be summed up in three statements, and you have the specifics of those at your table. First, there should be creation of a formula for calculating the cost of an efficient education, foundation level of expenditure, and this should include a long-term state commitment to pay half of that foundation. Second, you should seek a fair tax structure which reduces the current over-reliance on property taxes for schools. And third, you need an accountability system for schools which enhances local control. I'd like to speak to each one of these. A key element of reform must be a rational system for determining the state's share of the cost of public education. Too often in recent years, you have been forced to give schools what was left in the budget after other demands were met. You want to know that the state money is being well spent on programs which help children. And you worry that too little attention has been given to finding the true cost of a quality, efficient public education. We, in Farm Bureau, share these concerns. That's why we feel reform should include a foundation formula. This foundation spending should be to reflect the cost of producing high performing students in the most way possible. This formula should efficient recalculated at regular intervals and then the state should be responsible for providing half of this foundation level for every student in Illinois, and I repeat every student in Illinois. Our second basic principle is tax fairness. Both for taxpayers and for students. To achieve fairness this General Assembly must change the mixes of taxes to

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finance education. Farm Bureau supports an increase in the income tax, coupled with, at least, a 25% reduction in school property taxes. This action would reduce long-standing over-reliance on property taxes for funding schools. Overreliance on the property tax wasn't planned, it just happened. State spending on public schools has increased nearly every year for the past two decades. But the rate of increase has been far below the needs of education as determined by local school boards. To make up the shortfall between the rising needs and limited state funds, schools turned to property taxes as the only available source of revenue. In the process, they hiked local property taxes for education dramatically in the past two decades. What was once a fair balance between local and state spending, became severely unbalanced to the detriment of both students and taxpayers. Our statewide over-reliance on property taxes for education creates well documented inequities between districts. But more than that it threatens the future of the entire system. We are trying to build schools for the 21st Century on a structure that was built in a tax system in the 19th Century. Illinois is one of the highest property tax states in the nation. A fact which has been detrimental to economic growth in this state. How many times have constituents, for job growth, given huge property tax abatements to attract industry? In contrast to our high property tax load, our state income tax is relatively low. Of the 41 states with an income tax, Illinois has the second lowest percentage income tax rate. In the final analysis the fairest tax for a job as important as public education is a state income tax. It is simple, nonregressive and based entirely on the ability to pay.

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And from a political point of view, education is one service of state government which taxpayers value and have said they are willing to support. The state income tax should be raised to meet the needs of education. our third principle, maximizing local control? Political wisdom today says the most effective units of government are those closest to the people. especially true in education where school boards, parent groups, local teachers, make the difference between high achievement and mediocrity. Farm Bureau has active leaders who are school board members on hundreds of school districts throughout the state. I was a school board president myself for many years in Gibson City. these community leaders can tell you in great detail why maximum local control is the best way to run a school Boosting local control is the best means of program. improving school quality. And a close look shows that the state school code includes outdated programs, mandates, and regulations that should be radically simplified. At the very least, you can force consolidation of more than 100 of the so-called categorical programs into less than a dozen block grants, with schools having wide latitude on how to spend those funds. Ten years ago Farm Bureau Members sat in the Gallery of this Chamber with bright yellow name tags that said 'CHIEF', Changing How Illinois Education Is Financed. We had a package of Bills which fit those But I don't come here today to criticize this principles. Body for waiting so long to act, quite to the contrary. think that the General Assembly has acted responsibly to lay the foundation for major reform of our funding system Now, we both have a clear consensus and the 1997. resolve to act. The consensus revolves around concepts,

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such as leveling up, equality, adequacy, accountability. The will to act springs from the conviction that education must address the needs of all students in the state, no matter what their economic background. The will to act comes from the certain knowledge that good education and strong state economy are closely linked. This needed action should be implemented through the three principles Farm Bureau puts forth. A foundation formula half funded by the state. An increase in the income tax coupled with property tax relief. And an accountability and incentive system which enhances local school control. Thankfully, this is not a partisan issue. Both Democrats and Republicans embrace the need for funding reform. Instead, many people say this is a regional issue dividing Chicago with suburbs and downstate. But I don't buy that either. And I know that many of you don't either. I have traveled in Chicago, in the suburbs, cities and towns throughout the state, and to visit with many of you on this issue. Everywhere I have found political leaders who say education funding reform is their biggest responsibility this year. Everywhere there is a determination to act. We in Farm Bureau pledge our support and our assistance. won't be easy, but I am confident the people of Illinois will be pleased with the results when we are done. you."

Minority Spokesperson Cowlishaw: "The next person to make a presentation today is, Dr. Arnold Weber, president of the Civic Committee of the Commercial Club of Chicago. Dr. Weber is a past president of Northwestern University, which he continues to serve as chancellor. He will review for us today his experiences, both as a member of the Ikenberry Commission, and also as a participant in the formulation of

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the Civic Committee's position on education reform. The Civic Committee, I must say, and Dr. Weber, as well, played a very active role in education issues here for many years but in particular during the formulation of the Chicago School Reform Bill of 1995. Dr. Arnold Weber."

Dr. Arnold Weber: "Thank you, Madam Chairman. Speaker Madigan, Republican Leader Daniels, and Members of Illinois General Assembly, my name is Arnold Weber, as indicated, I am president of Civic Committee of Chicago and I also served as a member of the 1996 Governor's Commission on Education Funding. The Civic Committee is a nonprofit organization involved with economic development and social issues of concern in the Chicago Metropolitan area. members are the Chief Executive Officers of major Chicago businesses, professional organizations, and educational institutions. We are encouraged by t.he attention that the General Assembly and the Governor are focusing on education, funding and reform. We believe that the quality of elementary and secondary education in Illinois is one of the most critical issues facing our state today. If we are to remain strong and economically diverse, our students must possess skills which will enable them to maximize their employment opportunities personal development. They must also have the educational achievement which will permit them to assume responsibilities of citizenship in a democratic society. We are hopeful that we can work together to develop a constructive plan to rationalize school funding and enhance the quality of our schools. The pathway to the global economy truly begins at the schoolhouse door. We believe that the work of the Governor's Commission on Education Funding serves as a reasoned framework to build a

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comprehensive plan for a balanced revenue system for our schools, while creating incentives for innovation, The existing approach to efficiency, and performance. funding education is not rational, nor has the state been a reliable partner in assuring that every child receives quality education. Currently, the state's share of funding stands at 33% compared to a national average of 46%. Although substantial increases in property values in the northern part of the state distort the statistics somewhat, a large proportion of districts have been forced to rely on local property taxes to fund their schools. The result is a system where some districts have revenues as modest as \$3 thousand per student, while others spend over \$17 thousand. Many districts rely almost entirely on property taxes to fund their schools. In addition, categorical grants, which supplemental provide funding to districts, proliferated to over 65 programs, at a total cost of 1.3 billion. Many of these programs incur heavy administrative costs, draining resources from the classroom. We agree that we should avoid a system which throws money at the problem. But it can be argued that the current approach to educational funding does just that, with inequitable and unpredictable results. In our view, Illinois' funding system should be restructured. It must be made rational and reliable for all districts. To accomplish this goal, the following principles should serve as a basis for change tied to reforms and phased in over a three year period. noted that Ron Warfield, the previous speaker, had three principles, I have six, and I hope the next speaker won't have 12. First, the state should develop and fund a foundation level of financial support, which provides a quality education to all public school students. This

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should be based on an analysis of high performing, efficient schools. A pilot study by Coopers and Lybrand indicated a foundation level of \$4,225 per student. A level that 50% of our districts and over 600 thousand, or 25%, of our students currently fail to attain. This methodology will establish the benchmark for adequacy in school funding. It should be reviewed every two years and adjusted for regional cost differences, and districts with high concentrations of poverty. Second, the state should provide 50% of the foundation amount in the aggregate and should guarantee that each student has access to the full foundation level. To qualify for the state guarantee districts should exert a threshold, or minimum tax effort prescribed by the Legislature. Adoption of this measure will raise the funding level for those districts at the bottom of the distribution, and provide state dollars to virtually all districts. The State of Illinois will, once again, be a reliable partner in the educational enterprise. Third, school property taxes should be reduced by approximately 25%, or \$1.5 billion, to relieve the onerous burden on local property owners. This reduction could be achieved by the use of flat grants to all but the state's wealthiest districts, allowing districts to rollback the school operating tax rates. Tax caps could be adopted statewide to assure this rollback is preserved. These caps could only be lifted by local referenda. Fourth, all school grades should be treated equally in the allocation of state and local revenues. The current system is heavily weighted in favor of high schools. Research confirms that early childhood education will have the greatest impact on future students' success. We should adjust the weighty formula to support strong programs in the critical lower

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grades, and foster district consolidation. categorical programs should be consolidated with a goal that special students' needs are met and local flexibility is enhanced. There should be a thorough review of the largest programs to facilitate academic advancement, efficient administration and the development of a new method for distributing funds. And last, revenues should be increased as necessary to fund the new foundation amount and provide property tax relief from a variety of sources. These incremental funds should be derived from sources which spread the tax burden amongst individuals and We believe that substantial revenues could be businesses. generated by efficiencies at the state level, and shifting a portion of a categorical grants to the general education appropriation. Other possible sources include expansion of the sales and income tax bases, an increased tax on gaming, and as a source of last resort, an increase in the state income tax rate. As economists are wont to say, and I plead guilty to affiliation with that occupation, 'There is no free lunch'. We believe that an increase in educational funding must be tied to reforms that ensure that these resources will be well-spent and support high levels of academic performance. Because of recent Legislative actions, much progress has been made, but critical issues must still be addressed. These include, certification, tenure and compensation of our teachers, extending portions of the 1995 Chicago Reform Bill statewide, implementation of a strong accountability system. quality of the state's education system is directly related to the skills of its teachers. Despite the onrush of information technology, education is still essentially a people business. Most teachers have high quality skills,

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however, their training did not envision nor keep pace with the changes in curriculum and pedagogy which have occurred. In recognition of these demands we believe that the state should move forward with a reform of teacher certification, and the tenure system. These reforms should include the following elements, implementing knowledge and standards using national models for certification. Candidate assessment through testing and classroom evaluation prior to the granting of a preliminary certification. Satisfactory evaluation of classroom performance and additional professional development prior to the granting of a full teaching certificate at the end three years. Additional classroom evaluation and professional development at a higher level which would justify the granting of tenure at the end of five years. Tenure is a unique and critical right and prerogative and should be granted only after the most rigorous assessment and development of the capacities of teachers. Reviewing tenured professionals on a five to seven year basis, so-called post tenure review to assure they are teaching to prevailing standards. And last, implementing a program to assist or grandfather teachers currently in the field to meet the revised standards. These changes should be linked to a new approach to teacher compensation. The current Step and Lane System should be restructured and replaced by locally developed programs of performance-based compensation, which are in effect now in most industrial situations, and indeed, in most universities. system would provide supplemental play (sic-pay)above annual salary increases, based overall on school performance, qualitative peer review, additional subject matter course work, and involvement with parents and local

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Concerns have been expressed that any communities. incremental funding will lead to a windfall in teachers' These concerns are legitimate, but they can be salaries. minimized by an assurance that extraordinary increases and compensation will be linked to improved school performance. The advances in management permitted by the Chicago Public School Reform Bill provisions should encourage Legislature to apply them statewide. These reforms include restoring managerial prerogatives, such as, providing greater flexibility in adjusting class size, out sourcing school services, and streamlining the dismissal process for under-performing teachers. Finally, the state must implement aggressively a strengthened accountability system. Such a system should embrace standards for student achievement at specific grade levels and a quality review process, which involve an evaluation of school performance by master teachers and principals. The State Board of Education has taken steps to strengthen accountability, but these efforts must be accelerated as educational resources are augmented. We don't believe as a Civic Committee that reform first and additional resources after. that they can flow on parallel courses, one reinforcing the other. We recognize that the quality and funding of our schools are among the most difficult issues on the state's If they weren't they would have been resolved long agenda. You have a rare window of opportunity to respond to this challenge. We damage our state and limit our futures by inaction. The time to act, we believe, is now. Thank you very much for your attention."

Minority Spokesperson Cowlishaw: "Thank you very much, Dr. Weber.

Next, please let me present Lynn Montei who is the

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Conference. The DuPage Mayors' and Managers' Conference represents 34 municipalities located in DuPage county, including the one in which I live. Recognizing that a sound educational system is a vital part of any community's fabric, this organization developed an Education Funding Reform Plan two years ago, and has continued to take a part in the ongoing dialogue about this issue. It's my pleasure to present to you, Lynn Montei."

Lynn Montei: "Thank you and good morning. Speaker Madigan, House Republican Leader Daniels, Representatives Phelps Cowlishaw, and Members of the House of Representatives. am Lynn Montei, Executive Director of the DuPage Mayors' Managers' Conference, a council of the 34 municipalities in DuPage County. Thank you for the opportunity to address you on the matter of school funding reform in Illinois. I am here to represent the views of these 34 cities and villages, which undertook the study of Illinois school funding policies in mid 1993. After more than a year of study, the DuPage Mayors' and Managers' Conference unanimously approved a set of recommendations in September of 1994. Some would ask why municipal leaders care about public school funding, and why the DuPage Mayors' and Managers' Conference would view public school funding reform to be our highest priority? The onset of property tax caps in 1991 made us realize the importance of this issue. Our study of the state's funding formula was first motivated by the fear that the quality of our local schools would level down with caps in place. many instances this is occurring. However, we quickly saw that our approach to education funding in Illinois is flawed, and that there are even more compelling reasons for reform. Among them there is no explicit articulation of

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the educational expectations, the product we expect from our schools. No relationship between costs of that product and the funding or foundation level and an unnecessarily complex funding formula. We experience disparity revenues per pupil, disparity in burden and local effort required. An over-reliance on local property tax funding and a funding system whose structure itself is divisive. Pitting property wealthy and property poor areas against each other where state investment in education is The DuPage Mayors' and Managers' Conference concerned. consciously participates in this school funding debate to demonstrate that the future of local municipalities, not only local school districts, hangs in the balance. educational system is one of the key location factors for both business and residential decisions. In this globally competitive economy, place still matters. Where can companies prosper and citizens further their well-being? Through our policies established in Illinois law we project our values to the world. DuPage municipalities believe we need explicit policies that establish education as lasting priority for the State of Illinois. Our recommendations developed in 1994 share a common refrain heard from others today. The conference formulated its recommendations premised on the view that the state has a constitutional responsibility to provide education to all children in Illinois no matter where they live or the nature of their educational need. We must establish a comprehensive strategy for education funding, which integrates our keenly understood needs for equity, efficiency, and quality into a process for achieving them. Our system should be designed in such a way that all citizens are stakeholders in the state's education

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investment decisions. We recommend that the state establish a new framework or decision-making process for funding Illinois public schools in which we first define our expectations of schools, that basic education we often Then, we ascertain the cost talk about. \circ f expectations. Next, integrate that cost with the funding formula and establish a more progressive taxation plan to support it. Finally, evaluate the system regularly to see that it is responsive to our goals, and continue to strive for education excellence. Although we have no precise funding plan to recommend, we have considered an increased income tax, a broadened state sales tax, and even a small statewide property tax for schools only. Each of these has potential and we acknowledge the need to carefully examine the base of each of these sources. The Property Tax Limitation Act of 1991 was to be step one of comprehensive tax reform in Illinois. For some time now we have been anticipating step two, sometimes very impatiently. here today on behalf of DuPage municipal officials, however, in acknowledgement of the difficulty of your task. DuPage Mayors and Managers are prepared to play a role in cultivating an environment in which difficult choices like this one are made by the State Legislature. Although partnering has been difficult to achieve in Illinois, especially between levels of government, ours are not competing, but compatible goals that serve the interests of state and local residents, one and the same. We are here to join your effort to bring about reform of school funding in Illinois. We are familiar with the skepticism of government that is so popular today, one that suggests government can do nothing ennobling. However, group after group of citizens gathered for the purpose of gaining

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insight into our problems and inventorying our capacities, find the solutions not so daunting. We need to build our citizens' capacities for crafting a future in which they and their children can succeed. No matter how complex the school funding formula, people can and will grapple with issues important to them. However, they must own their own future and we must help them to do it. This challenge of school funding reform is also an opportunity to demonstrate responsible, fiscal management. An opportunity to set a course in which equity is a fundamental guidepost. opportunity to succeed in assuming the difficult leadership responsibilities on which our public depends. And an opportunity to design a solution to a problem that has plagued our state for a very long time. In conclusion, the DuPage Mayors' and Managers' Conference, as one of the stakeholders in our state's future, believes that quality of that future depends, in large part, on the success of our public education system. The recommendations I have discussed, we believe, will benefit students, communities, and businesses, and will result in important, social and economic success for all. We thank you for the opportunity to address you, and respectfully request your leadership in this most important Legislative endeavor. Thank you."

Minority Spokesperson Cowlishaw: "Thank you very much.

Representative Phelps and I would like to make a brief
editorial statement. We are deeply grateful to each
presenter who has stayed within the 10 minute requirement
and we would like to chastise any one who proposes to go
beyond 10 minutes. We will do so gently, of course, but we
would truly appreciate it if you would restrict yourselves
to 10 minutes. Next, we will hear from Tim Bramlet. Tim

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is the Executive Director of the Taxpayers' Federation of Illinois. He has been active in the Legislative arena for many years and certainly is one of the most knowledgeable individuals in our entire state on the subject of taxation policy. Tim Bramlet."

Bramlet: "Thank you very much, Madam Chair, Mr. Chairman, Speaker, Leader Daniels. You've heard a lot of comments already this morning about the education issue, delivery of dollars to schools, and the way we educate And I think you will hear from some other distinguished experts to elaborate even further on that. I'd like to offer some comments maybe a little bit off that line. More focused on how we collect the dollars that educate the kids and how the action that you take up this year in terms of reforming our tax policy, what it might result in in terms of our overall tax climate in Illinois. So some of my remarks are maybe going to be a little more nuts and bolts than what you've heard prior to this point, but hopefully they'll be helpful and give you some food for thought as you develop the educational reform ideas that are going take place this spring. As you know, a major focus of what we spend dollars on in Illinois, both at the state and local level, is directed towards education. is a vital issue to all people who reside in the state. We spend \$12 billion dollars a year from state and local sources on educating kids in our state. Our property tax burden is too high in Illinois, whether it goes toward schools or other local government services and we have an opportunity while you are reforming education to also modernize and improve our tax structure at the same time. But you need to be aware because of the heavy reliance we have on property taxes in this state. As Dr. Weber said,

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'There's no free lunch.' If you look at providing significant property tax relief for Illinois residents and businesses, it's going to be expensive. And if we look at other sources of state revenue to do it, it's going to take a lot of dollars in order to provide property tax relief. It's not going to be painless and it's not going to be easy to do that. And I think most of you recognize that and recognize that it will take some courage and some very Illinois property tough decisions in order to do that. owners pay more than \$12.7 billion dollars each year in property taxes and of that, 55% percent flows to local schools, \$7.25 billion dollars in property taxes goes to education. In the last 10 years across the State of Illinois we have doubled the amount of property taxes that goes to schools, well above the rate of inflation. At state level, you've heard time and time again criticism that the state has decreased its share of education funding. In reality, over the last decade the State of Illinois, the General Assembly, and the Governor has kept pace with the rate of inflation in terms of state dollars going for schools. Our share has decreased because property taxes have doubled. The state would have had to double the amount of dollars that you provide for schools in order to maintain the level with property taxes. So it depends on your perspective and your view and the semantics and how you put the figures together. But the bottom line is in reality the State of Illinois couldn't possibly keep up and maintain a 48% percent share of education funding with the rate of growth in property taxes around the state and that's one of the reasons it's so important to get a handle on property taxes and the amount of property taxes that go to schools because the state hasn't been able to

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control it and the local taxpayers have not been able to. It doesn't necessarily mean that we provide too much funding or not enough funding for schools. I think those are issues that you need to look at and you need to hear from experts on how those dollars are spent. What. T suggesting today is there's a better way to collect the dollars once you arrive at what you believe is needed for There's a better way to do it than how we're the system. currently trying to accomplish it. How does Illinois compare nationally? I think it's often helpful if we look at other states to see how they try to tackle some of the problems that we in Illinois are facing. When you look at our total state and local tax burden in Illinois, we're actually below the national average, if we measure it as percentage of our income. We have a very healthy tax climate in Illinois and it has lead to economic development and a healthy business climate for this state. But when you start breaking down and looking at the various components of the tax structure, that's where we need some improvement. In Illinois we are well below the national in our burden on income tax on both businesses and individuals. We are well below the national average for sales tax burden. Not surprisingly, we are well above the national average for our tax burden as it relates to The Illinois tax structure is out of property taxes. balance. And unless we act now to try to change that mix, it's only going to grow worse in the future. Every year we wait, that imbalance gets worse and worse and this is an opportunity to tackle not only the fairness of education funding, but the efficiency and fairness of our tax structure. We would urge that you also look within the educational system in terms not of just where we collect

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taxes and how we collect taxes to fund it, but how some of those dollars are spent. Mr. Warfield, Dr. Weber mentioned a few of those elements which we believe are key to guaranteeing some efficiency for taxpayers. You need to look at consolidating local property tax levies that at breaking down and combining schools, bureaucratic categorical grants that exist at the state level, of equalizing our reimbursement formula both for state dollars and local dollars by grade levels. provide more funding for older pupils rather than younger pupils and as a result of that we provide incentives for a system which is inefficient for dual districts of separate high schools and elementary school districts. provides a raw deal for taxpayers who ought to be getting more efficiency from very valuable dollars that are spent. We belive that every district in the state ought to be vested in a statewide system where at least a minimum but significant amount of state dollars goes into those districts and if it's in those districts that have the ability to provide more dollars for students than state dollars, ought to offset property taxes. Every district in the state and every pupil in the state ought to share in a statewide educational system. And finally and most importantly, as we look at reducing the reliance on property taxes, we have to insure that those property taxes will come down and will stay down. Property tax caps have helped do that. We may need to go further. We need to explore mechanisms so that two or three years from now we can guarantee to our taxpayers we have provided property tax relief and it's permanent and it's meaningful. Tt. won't just disappear. I want to offer one last comment that's again somewhat food for thought as you go through

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this process and I think it's important to think about, and that is the impact of tax reform in Illinois. Who will it benefit? Who will it harm? Who picks up the tab and who doesn't? And one of the things I've heard frequently over the last couple of months is, that if we do a tax swap, and we raise the income tax and provide property tax relief, it's nothing but a windfall for Illinois businesses. think those statements are made with the understanding that businesses pay more than half of all the property taxes in the state. And if you look at the corporate income tax only, only 20% percent of the income tax. So, naturally, if you raise a tax where they pay a fifth of it and cut a tax where they pay a half of it, it's going to appear as though they benefit. There are couple of features of our tax system that I think you need to understand, to think about how tax reform affects the business community. One addition to the Corporate Income Tax which is 4.8% percent, and generates \$1.1 billion dollars a year. There are number of other taxes based on income that Illinois businesses pay. They pay the Personal Property Replacement That's the tax that provides dollars to local governments in replacement of the Personal Property Tax you abolished in the 1970s. It's 2.5% percent. It generates \$700 million dollars a year for local governments, more than half of which goes to schools. There's the Invested Capital Tax on any business that's regulated by the Commerce Commission. That's \$200 million dollars a year. There's the Corporate Franchise Tax which is administered by the Illinois Secretary of State that generates \$100 million dollars a year based on investments by business. So when you look at the total tab of what the business community pays, it's not just \$1.1 billion, it's \$2.1

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billion dollars just on straight business income taxes. And that's important to know. The second nuance to this system which complicates it, is it's easy to look at individual income tax versus corporate income tax but the truth is, in Illinois we have a tax structure which provides enhancement and encouragement for small business in this state. A small business has the ability to file as a separate status where they can actually declare their profits as personal income and file taxes as an individual. There are 267 thousand small businesses in Illinois whose profits are taxed under the individual tax return system. So when you look at who pays individual and who pays corporate taxes, a large amount of your so-called individual tax collections, are actually taxes paid by small business. And so if you want to devise a system that tries to help one group of people over another, you run into all kinds of complications and problems. What we would suggest is when we look at property tax relief, which is greatly needed for this state, that we look at providing it across the board, that not one group has an advantage over another, that the business community doesn't gain at the expense of individuals, but vice versa. every sector of the Illinois economy and the Illinois populous gain from some of the improvements that you can We look forward to working with all of you throughout this spring and hopefully can provide questions to or answers to questions that you might have. Thank you very much."

Chairman Phelps: "Thank you, Tim, very much. Let me interject at this point for our guests in the Gallery who would like to ask questions of our presenters or our speakers. There are three tables in the Galleries, two in the main Gallery, one

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in the Speaker's Gallery with index cards for questions. In addition to your questions please include on your card three things, your name, the name of the speaker you wish to address your question and the name of the Representative you wish to ask the question on your behalf. have that time at the end. When you fill out that card, please return it to the staff seated at the tables and they will see to it that the Representative that you have designated will receive your questions. We appreciate your cooperation in that matter. Wayne Sampson, the Executive Director of the Illinois Association of School here today representing the coalition of Boards is education groups which has recently put forth a proposal education funding. This coalition includes the Alliance, School Management the Principals' Association, the Illinois Association of School Boards, the Illinois Association of School Administrators, the Illinois School Business Officials, and the Illinois PTA and the Illinois Education Association and the Illinois Federation of Teachers. Ladies and Gentlemen, you may proceed. Thank you."

Wayne Sampson: "Mr. Speaker, Leader Daniels, Chairman Phelps, Members, and Guests, thank you for the opportunity to be with you this morning. This is a unique coalition that has been formed over the last couple of years and I think to identify the uniqueness, I think I can state with absolute authority there has never been an executive director of a school board association stand before this Body and be willing to say, and able to say, 'I represent the teacher unions.' It's an interesting day. I have some cohorts with me and I would like Sharon Voliva to kick off our presentation this morning. Sharon is the Legislative Chair

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of the Illinois PTA. Sharon."

Sharon Voliva: "Good morning. I can't tell you what an honor I feel it is to be able to speak to you today, either. Very briefly, I'd like to tell you, I am not a teacher or a school administrator or a school employee nor is any member of my family, brother, sister, father, mother, husband, or child an employee of a school district. I am a parent, taxpayer, a customer, if you will, of the public school system. As such, I have had the privilege of representing the 220 thousand members of the Illinois PTA on the Illinois Fair School Funding Coalition. We believe the plan you are about to hear is the best possible, designed cooperatively by the education community, including the customers, the parents. It is fair to the children and I'm going to introduce to you the other members. Robert Haisman the President of the Illinois Education Association and Steve Preckwinkle, a government liaison for the Illinois Federation of Teachers. And I believe Wayne is going to describe the plan for you."

Wayne Sampson: "Reforming how we fund Illinois' public education important that each of the organizations that are represented in this coalition have put our differences aside and have banded together for this single Illinois, as you have heard, has a school funding issue. system that is in need of drastic overhaul and that single issue is our highest priority and we urge you to make it yours as well. We believe there is a moral imperative that we address our inadequate and unfair school funding in Illinois this year. The Fair Funding Plan that we are proposing is based on five underlying principles and I'm glad that we have met the challenge of no more than six. Bob Haisman, IEA President will share those with you,

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briefly."

Bob Haisman: "Good morning. It certainly is a privilege to address this Body this morning. I bring you greetings from thousand members of the Illinois Education Association. We're very proud to be part of the School Funding Coalition that has brought this plan before the General Assembly this year. I have to say that a few years ago I thought it would be easy to fix school funding in Illinois if only the political will was there. After spending three years of in-depth study, and the last 18 months working closely with our partners in the coalition, I understand more fully your job and I don't envy you. is a difficult job, very, very difficult. Fairness is a main concern and one that I know is on your mind. trying to put together a plan to address the problem of school funding reform, the coalition partners: Illinois Federation of Teachers, the Illinois Education Association, the Parent Teachers' Association, the school boards, the school superintendents, the school business officials, the school principals said the only way that we can do this, that we can evaluate all of the ideas, all the fine work that went before us in the Legislative task force and the Ikenberry Commission and, goodness knows, a dozen other commissions and plans, was to agree on a set of guiding principles and then judge every plan by those principles and try to formulate our own. And quite simply, and I was very pleased to hear this morning, in one form or the other, most of our principles, and you've heard them before but we believe these five principles could successfully reform school funding in Illinois. And they simply are: Number one, move the state towards 51% share of school funding, we're currently at 32%. There's just no

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doubt about it, we need to raise that share. Number two, raise the foundation level. We suggest in our plan a \$4500 Number three, reduce the inadequacies, foundation level. the inequities in school funding in this state. We believe by raising that foundation level, will do a great deal to those 600 districts below, below our current foundation level. It's the only way we are going to with the problems of inequity in the system. Fourthly, we can harm no district. After all, they're all of our children. No plan can harm any child in this state. We don't subscribe to a Robin Hood plan, a rob from the rich to give to the poor. Every district has to be a winner. We can't, we cannot subscribe to harming any district. That's not easy, as any of you know. It is not an easy task but it is one that we believe is one of our primary principles. And then, finally, we must provide property tax relief in a meaningful, substantial and guaranteed fashion. The high property tax rates in this state drive a wedge between the citizens and their schools and at the very time that we need more collaboration and more cooperation and to bring the whole community into the school, we can't afford any more wedges. Thank you very much and one more speaker from the coalition yet to come."

Wayne Sampson: "We're proposing a new funding method that meets the five principles that Bob has outlined. But in addition to the principles, we have developed a fully written, comprehensive plan that is in Legislative form. That plan would insure that no school district would be harmed by calculating every district's aid in two different formulas and funding on the better of the two. The first calculation guarantees that every district will get an increase over the previous year's per pupil general state

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aid by the percent of growth in Illinois per capita income. The second calculation would be based on an adequate level which Bob has mentioned. foundation We have established at \$4500 per child which falls right in with the earlier comments this morning if you adjust the \$4225 for inflation over the last couple of years, we're a little bit below where that number should be with \$4500. foundation would be adjusted annually according to the growth and per capita income of Illinois citizens. time, the state would achieve the Constitutional goal of 51% percent funding. Under our plan more than 1.25 million children across this state would have their educational support raised to that \$4500 minimum. These children would move closer to the 290 thousand children who, because of location, the district in which they happen to attend school, already have support at or above that level. proposal would provide \$1.1 billion in local property tax relief to Illinois citizens by abating a percentage of all tax levies over a minimum qualifying rate required of schools. The abatement would become a permanent fixture of Illinois law rather than a short term 'hold harmless' provision that when concluded it renews pressures of local districts to again raise the property tax, creating an additional imbalance. Our proposal is the result of more than a year's work by our coalition and Steve Preckwinkle of the IFT will explain briefly an little more."

Steve Preckwinkle: "Our plan, as described here, requires \$2.2 billion to fund, including \$1.1 billion in local property tax relief. Some have characterized this as a Cadillac plan. If, by this, it is meant that the plan is excessive or unnecessarily expensive, it is not. If it is meant by that that our plan would provide an education system that

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is frivolous or beyond the capacity of Illinois citizens to afford, nothing could be further from the truth. Our plan meets the five criteria we have outlined. New revenue is necessary to do this. If you implement a revenue neutral plan, you must decide which criteria to forego. Will you decrease funding in some districts to aid other districts? The education community finds this unacceptable, this leveling down process, because it would harm some of the finest educational programs in the nation, which exist here in Illinois. Secondly, will you make no significant increase in the foundation level? This flies in the face of educational necessity. It does not move the state toward primary responsibility for funding and it would allow the already intolerable inequities Thirdly, will you fail to raise state funding, the state funding levels significantly? This ignores the needs of Illinois school children. It exacerbates the funding inequities. It increases pressure, in fact, to raise local property taxes and it increases inequities to property taxpayers. Will you allow current disparities in school resources to widen? This result consigns thousands of Illinois students to inadequate educational opportunities. Finally, will you provide little or no property tax relief to the taxpayers of our state? If you do that, you are failing to listen to what the taxpayers have said over and over and over again. The amount of revenue that fuels any plan that you adopt this spring, will be certainly one of the most difficult issues that you face. We urge you to provide the revenue that we need as teachers and school administrators to provide the quality education to our children and your children that you expect from us. Thank you."

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Chairman Phelps: "If we can, we will wind down the remarks, just briefly."

Preckwinkle: "In conclusion, this plan represents our best Steve thinking of the organizations that are represented here and has involved educators across the state from south to north and east to west. We urge you to use it as a beginning point for your discussion and debate. We commit the energies and the work of our organizations to support you in that endeavor. We know that our proposal can be modified and adjusted and strengthened, but we ask that you urge to keep in mind the principles that have been outlined by us and others this morning. We owe it to the children of Illinois to find a better way to fund our schools. A fairer way to provide full access to a quality education and taxpayer relief. The time to act is now. We're willing to do our part and we're willing to work with you and we ask your help. Thank you very much."

Chairman Phelps: "Thank you very much for your cooperation. I know it's tough with a comprehensive package to be brief, but we appreciate your cooperation. Next, we have three particular people that are going to share in a presentation that Jim Tobin of the National Taxpayers United, Jack Roeser, Family Taxpayers' Network, and Joseph Bast, Heartland Institute will share the presentation. Thank you for coming, Gentlemen."

Jim Tobin: "Honorable Members of the Illinois General Assembly,

I'm here today to ask you to drive a stake through the

heart of the 'Son of Netsch Plan' and bury this proposed

state tax increase once and for all. The voter...thank

you, the voter-rejected Netsch Plan which was resurrected

by Governor Edgar's commission, headed by former

bureaucrat, Stanley Ikenberry, and then promptly rejected

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by the General Assembly last year, should be put out of its misery once and for all. Lowering property taxes in exchange for state tax increases is a scam. Just look at Illinois history. The property tax decrease would be temporary until the next election when the state tax increases would be made permanent. Even a dollar for dollar swap limited to homeowners is a scam. taxpayers will see a tax increase even with a dollar for dollar swap. Renters and two-income homeowners, families will be hardest hit. Only affluent retired homeowners will see lower taxes and only temporarily. Contrary statements made by some politicians and columnists and here today, the Illinois State Income Tax is not low. The Corporate State Income Tax is 7.3%. Illinois is now third worst state at keeping firms. The state lost 8,250 jobs and 982 businesses from 1991 through 1995. current corporate rate of 7.3% is raised even higher, even more jobs and firms will leave the state for other areas with lower taxes. A substantial literature on school spending and student achievement shows little consistent correlation between how much students learn and spending on teachers salaries, class size, and physical facilities. The amount of study time, on the other hand, is correlated with how much students learn. If increasing spending for public schools does not increase student learning, question must be asked, who, if not the students, are the ones benefiting from increasing education spending? released this Monday by the Illinois Taxpayer Education Foundation answers that question. Over 80% of total funds for Illinois public schools go to pay employees' salaries, employee benefits, and independent contractors. It is clear, tax increases will put

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additional money in the bank accounts of public school employees and consultants. They will benefit handsomely. Unfortunately, there is no evidence that students receive any benefit from the growing affluence of public school employees and consultants. The average gross salary, according to this study, the average gross salary of all Illinois teachers, \$40,890 for working nine months is higher than the incomes of 83% of U.S. workers. Most teachers in Chicago, suburban high schools right now receive gross pay between \$50 thousand and \$100 thousand or more. Suburban teachers making \$50 thousand for a nine month work year, receive more money than 90% of all U.S. workers who work at least 11 months a year. teachers receiving \$75 thousand receive more money than 96% of all U.S. workers who work at least 11 months a year. Now, the gross salary figures I mentioned do not include generous benefits like tenure and generous pension benefits. Public schools spend twice as much as private schools with lower academic results. Now, government educators almost always attribute the huge difference in cost per pupil between public and private schools to programs mandated by the Illinois General Assembly. They conveniently avoid mentioning these mandated programs were lobbied for by the teacher unions or public employee unions. Mandated programs create more teaching jobs ITF study on school public schools. The spending recommends waste to hold the line to provide property First of all, make-work courses mandated by the state in response to teacher union lobbying should be eliminated. Coaching and sponsorship of extracurricular activities should revert to teacher-parent volunteers. Parents of students involved in these activities should pay

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for them or volunteer their own efforts. The study of Hinsdale High School District 86 in this study reveals the average gross salary of District 86 teachers, librarians, and social workers is seated \$70 thousand per year and that coaches can make up to \$8 thousand per coaching job in addition to their regular teaching salaries. 200 tax subsidized coaching positions athletic teams for the 3,750 students at Hinsdale District A longstanding state law granting teachers tenure after two years of full-time teaching must be eliminated. Finally, school expenditures should be slashed by increasing class size and enabling the number of teachers reduced either through layoffs or attrition. Research has shown that class size is not significantly correlated with student learning. The best way to cut property taxes and increase the quality of education in the Illinois public schools is to give a permanent property tax cut of \$4 billion by Constitutional Amendment for the public schools which will raise the state share of public school funding to 50%, that's \$4 billion out of \$8 billion using 1995-96 figures. In this scenario the state's relative share of public school funding, \$4 billion, would rise from 32% to 50% without raising state taxes. billion property tax cut will give parents more money to use for private school tuition which will give public schools competition and force them to raise their quality, cut costs, or lose students to private schools. Parents are much more likely to get involved in their children's education when they are paying tuition directly out of their own pockets. Please keep in mind that although the education industry has surged, children in public schools will be the beneficiaries of state tax increases. In fact,

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more than 80% of the tax dollars from a tax increase will wind up in the pockets of public school employees and consultants with no increase in student performance. The education industry in Illinois has become fat and rich by feeding at the public trough. It's time to slash public school spending, put the education industry on a diet, and cut taxes. Thank you for giving me this opportunity to speak to you."

Jack Roeser: "Good morning. It's nice to have this opportunity to talk to you. I've been asked to limit my presentation to five minutes and I'm not going to go into a lot of statistics. Let's cut right to the chase. They asked me repeat my name. It's Jack Roeser, I'm President of the Family Taxpayers' Foundation and I also speak a little bit a businessman as President of Otto myself as Engineering. But we're being asked to come here and to believe that we need more money for education. We're being sold a bill of goods that we are going to get some equity for the taxpayer by increasing taxes and supposedly reducing the real estate tax. I think you all know what crocodile tears are. Well, the education as crocodile has eaten the taxpayer already and now they're pretending to cry about it and give us some relief in our real estate Anybody that believes that this is a revenue neutral switch, I'll sell them a bridge. It isn't and everybody here knows it. What this is, is a \$400 million to over \$1 billion dollar tax increase that's being asked of this Body and of the taxpayers. That's what this is really all about. Is it justified? You've heard a lot of statistics from Mr. Tobin. I'm sure he can support every bit of it and you're going to be followed by ... I'm going to be followed by another speaker here from the Heartland

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Institute and you can believe his figures, too. And they all show we are spending plenty of money on education here in Illinois. We also get terrible results. I'll tell you this, as a businessman, I'm forced to run about a dozen different classes in my business, from English as a second language and remedial arithmetic and every other thing in order to be competitive in a global economy. We give one test only to the people that come to our door for a That's a sixth grade arithmetic test. It's a five minute test. We give them ten. It's a fair test that we got from Elgin Community College. Only 20% can pass that test. call it a morality check because in the public schools of today, arithmetic is the closest thing you discipline and a subject that has answers that are right and wrong. We find we get better employees if they can pass a sixth grade arithmetic test and 80% of the people that come out of the public schools of this state, can't pass that test. We don't need vocational training or Goals 2000 Programs, we just need people that will get these children to read in the first three grades and some friendly discipline that they'll learn arithmetic. what our problem is. And all this fuss about more money, that comes from one direction and that's the teachers' This plan that's being presented here to increase union. your taxes, do a revenue neutral switch, we've listened to a whole bunch of people talk about their plans to somehow manipulate this thing to get equity and fairness. luck. You've got a real job here in this Chamber trying to enact what these people are proposing and you're all going to be asked to go back to your own districts and raise the taxes on your constituents. Everybody in this Chamber is at risk, Democrats and Republicans both, is at risk because

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you're going to be blamed for raising taxes with this cockamamy scheme with so many different angles to it of taking from this bunch and adding to that bunch. In the end it's all driven by the teachers' union. Forbes wrote an article just a couple years ago in which he called the National Education Association the 'National Extortion Association'. He's not wrong. The other side of this page shows how our achievements have gone down as union membership has gone up. The NEA gets dues of about \$750 million a year from their teacher members. The AFT gets another bunch and raises it to almost \$1 billion dollars a year that's extracted from the pay of the teachers. Now, the Beck Decision and the Hudson Decision...the Hudson Decision was for a teacher in the City of Chicago. Beck Decision, too, got carried all the way and was approved by the United States Supreme Court and what it says is that, a teacher doesn't have to pay for money that's extracted from their salary to pay for political work of the unions. That's what the Beck Decision says and the burden of proof is on the union to prove just how much they actually spend to represent the worker at their place of work. Now, when that is submitted to audits around this country, it's been found that only some 5% to as much as 56% with usually about 20% of the dues are actually spent to represent the worker. The rest is all political mischief-making funds that are spent on people like you. Well, they deserve to be defunded and the teachers need to get some equity and we are about to do that at the Family Taxpayers because we have this folder..."

Chairman Phelps: "Mr. Roeser, if you could bring your remarks to a close."

Jack Roeser: "I'll do it quickly. This folder will explain to

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the teachers of the State of Illinois, all of them in the union, we propose to mail that to each and every one of them and it will explain to them how under the law of the Beck Decision they can get out of paying this tribute to the unions that is used to abuse you people here. We're going to do that because we're independent of Legislature. We aren't getting elected to anything and we have no reason to desist from giving simple equity to teachers and you can do your part by rejecting this cockamamy scheme that's going to put your own careers at risk to increase the taxes of the people of the State of Illinois. It's too complex a scheme. It's not going to work any better than it has in Michigan. I have talked to the Legislature there and I'll tell you this. They got rid of property taxes totally. Oh, yeah. They've got several different ways of imposing property taxes and all the little troubles that were explained to you about that chart up here have been unresolved in Michigan. The result has been a great deal more money is being poured into education that really doesn't need it. You're monkeying with a scheme here you're going to be sorry you started. you've really got to do is bring the spending of the teaching establishment under control. You don't have a funding problem, what you've got is a quality and a spending problem. You've got to bring the spending under control. Thank you."

Chairman Phelps: "Thank you, Mr. Roeser. Next, to finish your presentation, Mr. Bast from the Heartland Institute.

Unfortunately, Mr. Bast, your time has been taxed. I hope that you will be brief."

Joseph Bast: "I guess I'd like to thank Jack Roeser and Jim Tobin for warming up the crowd. I don't often get to appear as

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the moderate voice when I speak at these things. Well, my name is Joseph Bast. I'm the President of the Heartland Institute. Many of you receive our publications <u>Intellectual Ammunition</u> which is a monthly magazine. also publish School Reform News, a monthly newspaper and we a free fax on demand information operate <u>Policy Fax</u>, service for State Legislators. Back in May of 1996, published a 185 page response to the Ikenberry Commission Report. It was titled the The Heartland Report on School Finance Reform for Illinois. All of you were sent copies of it. It's going to be difficult in one minute and 30 seconds, I guess, to summarize some of the arguments in there. So yesterday, in very rapid fashion, we produced a little brochure modeled after another organization's titled think you can get those either It's Fair and Ι from...they're either at your desk right now or I think Mr. Daniels' office has copies. I think rather than cover all the ground I was hoping to cover, I'll simply address some 'red herrings' in this whole debate. The first, is that we need to spend more money in order to get better schools. We know from extensive research that's not the case and here in Illinois we're already spending above the national The rate of spending is growing faster than the average. rate of inflation or student population growth. are well paid, as Jim Tobin pointed out, and the average public school spends over twice as much as the average private school in the State of Illinois. The second myth is that we need to equalize spending. It's a mantra that social justice demands equalization of spending. Well, in fact, freedom of choice and local autonomy demands just the opposite. That we tolerate the willingness of different communities to invest different amounts in the education of

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their children. When the 1970 Constitution was written, the delegates made it very clear that they wanted to preserve local control and local options to determine spending levels. Third, the state should not increase its share of funding because we know from the experience in other states that that's directly correlated to a decrease in student achievement, not an improvement. study done on the Ikenberry Commission Report by the Alexis de Tocqueville Institution estimates that student test scores would fall 15% if we centralized spending to the extent that the Ikenberry Commission recommended. Fourth, income taxes are not more fair than property taxes. This, too, seems to be part of a liberal mantra about school finance reform. In fact, if you're young and if you don't have a home, an income tax bears extremely heavily on you. People who are older, who have homes and lots of assets But the younger generation, don't like property taxes. already being saddled for your retirement which is benefits, is the one that's singled out and hurt the most by income taxes. Fifth, kids today are not more difficult In fact, by... historic standards they come to school prepared to learn at levels much higher than was historically the case. IQs for children have consistently been going up. The home environment now is saturated with reading material and high level intellectual material. Sixth, I only have two more. Sixth, Illinois is not a low tax state. Those of you who have seen the Heartland Institute's research over the years knows that we've studied this in depth. According to the U.S. Advisory Commission on Intergovernmental Relations, Illinois is an average tax state. We appear to be a low tax only when you fail to take into account differences in tax base.

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Illinois has fewer sales than a Florida. It has lower property values than a New York. Consequently when you adjust for these differences in bases, you find that Illinois is an average tax state. It was a high tax state during the 1980's and you have to go back to 1970 when we were a low tax state. And finally, the idea that there is one correct price for education. That there foundation level that you can adjust for cost of living or something and say that that's the right price to teach a kid is absolute nonsense. Any of you who have had Economics 101 knows about the myth of the 'just price'. That somehow a bureaucracy or a group of Legislators can estimate one price to educate something that's as subjective and special as education, is ludicrous on its I think it's a dead end path for reform and I'll urge you not to embrace it. Thank you very much and good luck on your deliberations."

Minority Spokesperson Cowlishaw: "Thank you very much. Next it would be a very special pleasure for all of us, I am sure, to hear from Mr. James Compton, who is the President of the Chicago Urban League. Mr. Compton is well-known to most of us. He has been active in Illinois education issues and lately, in particular, an advocate for many years for education funding reform. Certainly, he has given a great deal of study to all of these things and all of their complexities. It is with pleasure that I present to you, Mr. James Compton."

Compton: "Thank you very much, Representative Cowlishaw, Speaker Madigan, to Leader David Phelps, Chair, Leader Daniels and to each and every one of the Members of the General Assembly here in the State of Illinois. Founded in 1916, the Chicago Urban League is a civil rights, race relations,

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social service organization. The Chicago Urban League has had a long history of advocacy for quality education in this State, not only for the City of Chicago, but for all children in the State of Illinois. And it is within that context that I appear before you this morning. proposals we are presenting to you offer comprehensive reform of the state's education finance system based on principles that it should adequately address student needs, provide equity and resource distribution and provide equity for all taxpayers. To accomplish this, we propose that the amount of revenues raised for education should be related closely to educational need as defined by the state's foundation formula level and that the state's tax system be restructured to decrease dependence on local property taxes and replace them with increased income taxes and broadened sales tax base. The Urban League's proposal begins by considering the total amount of revenue that is needed to support a quality education for all children on a statewide basis. We believe that the state has the responsibility to guarantee the minimum amount needed to fund a basic education. However, we also recognize that the cost of providing a high quality educational product varies across this state. The cost of operating a school is higher in some parts of the state than others, and children in various districts differ in the amount of programs needed. The Chicago Urban League endorses the Governor's Commission finding that the foundation level should be established at approximately \$4225.00. We also recommend that State Chapter One moneys continue to be allocated as a component of general state aid based on the foundation. This only makes sense, we believe, as the Chapter One calculation, in effect, is a way of tailoring

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the amount needed for a basic education to the variance need found in different school districts. We also join the Governor's Commission in recommending a graduated Chapter One calculation mechanism that provides greater amounts of One funding for districts with the highest concentrations of low income children. And finally, recommend adjusting the foundation amount with a statewide cost of living index in order to account for the variance across the state and the cost of operating schools as did the Governor's Commission. The proposal contains two other major expenses. The first three years of the proposal contain a recommendation to allocate \$1.5 billion for capital improvement statewide that would include construction, repairs and technological improvements. Although, there is yet no systematic study that has accessed capital needs statewide, there is, we believe, general consensus among educators that substantial needs exist across this state. There is also a substantial equity problem under the current system, because there is no state program for capital, meaning that districts are wholly dependent on local property taxes for the ability to maintain or to upgrade facilities. The final component is an annual allocation of \$10 million dollars distributed to schools as a special incentive for high performance. When fully implemented, the Urban Leaque's plan would generate over \$8 hundred million in new funding for schools above current expenditure levels. The proposal presents a framework for accomplishing a number of major changes in the way money is raised for public education in this state. We believe that if implemented, this type of a system would provide for a much better balance between the three major revenue sources, property, income and sales

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taxes. It would improve taxpayer equity by effectively graduating the income tax and substantially narrowing the variation of local property taxes allocated for education. It would result in sharing the property tax revenues across jurisdictions, largely removing the current disparity and access to local resources that now drives the major disparities and revenue between school districts. The plan creates approximately \$2.1 billion in property tax relief by replacing most of local taxing authority with a statewide property tax rate that is considerably below the rates of more than 3/4 of the school districts in this state. It replaces this revenue loss to local districts with new revenue from an increase in the income tax as well as a broadening of the scope of the state sales tax. property tax relief would be distributed across 864 of state's districts. The plan proposes raising the state personal income tax from the current rate of 3% to 4.75% and the corporate rate from the current 4.8% to 6%. propose expanding the personal exemption to \$4000 and phasing it out completely at \$100 thousand. We have also included an earned income tax credit at 20% of the federal level and the net result of these changes is to graduate the effective tax rate for personal income taxes. provisions raise approximately \$2 billion in new revenue on annual basis. Next, we turn to the property tax. biggest single reason for the revenue disparity between school districts across this state is the uneven distribution of property tax statewide and the reliance on property taxes levied against those uneven property tax values. We believe that property value is a resource that should be available to the state in the same way that revenues raised on sales or income taxes are. What we have

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proposed, therefore, is replacing the current property tax levy for school operating funds with a single statewide rate applied equally in all districts. revenues would be collected by the state and utilized to fund general state aid allocations to all districts at state rate of \$2 taxpayers in most districts in Illinois would realize property tax relief of over \$2 billion per year. A number of districts which are currently spending in excess of proposed new foundation level and do so out of the strength of their local property wealth, would lose significant portions of their current resources under this proposal. Therefore, we propose to allow them to raise additional funds locally, initially through local option and thereafter through referendum in order to regain any lost revenues that they might wish to. This mechanism is similar to that proposed by the Governor's Commission and we have accounted for this likelihood in our calculations of property tax relief. The final major source of new revenue under our plan is the broadening of the state sales We are proposing that the sales tax be extended to include entertainment and amusements, legal and financial We know of no inherit reason that these need services. continue in the present exemption. From the point of view of the Urban League's main constituents, there are far more reliable sources of revenue that would be extending sales taxes to areas as food, medical services and some other services. The net impact of the measures we are outlining here today is to raise new money for education. summary, we believe the Chicago Urban League's proposal provides the framework for a balanced tax system that would improve both taxpayer and expenditure equity and adequately provide for educational needs statewide. In closing,

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Members of the House, I wish to quote from an editorial in yesterday's, New york Times, entitled 'Mr. Clinton's Challenges, Challenge on Schools'. In the final paragraph of that editorial it states, 'Mr. Clinton is showing leadership on an issue that sorely needs it, but the overriding message of his plan is that the states will need to ante up. The cost will be steep, but the cost of not paying will be higher still.' We thank you again for the opportunity to testify before you today and we pledge our support to your efforts to improve the state's education finance system, for all of the children of the great State of Illinois. Thank you very much."

Minority Spokesperson Cowlishaw: "I want to thank all of you for being so very orderly and listening to the presentations today. I don't believe I have ever seen this Chamber as quiet as it has been today, except during Resolutions. Don't arrive at any conclusions from that. The next speaker is Mary Sue Barrett, who is President of the Metropolitan Planning Council. Mary Sue has been active in public policy and public policy development for several years. The Metropolitan Planning Council is a coalition of business leaders serving the Northeastern Illinois Region. And finally, I want to thank Mary Sue Barrett for her participation in the discussions in early 1995 that ultimately resulted in the Chicago School Reform Legislation. She was not only a participant, but a contributor. Mary Sue Barrett."

Mary Sue Barrett: "Thank you, Representative Cowlishaw, to Speaker Madigan, Leader Daniels, Representative Phelps, Chairman of the Committee of the Whole and Members. Thank you for this opportunity to present testimony at the historic meeting of the House Committee of the Whole on

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school funding. My name is Mary Sue Barrett, President of Metropolitan Planning Council. The Metropolitan Planning Council, or MPC is a 65 year-old independent, nonprofit, group of business, professional, and planning leaders working in the public interest to achieve policies that enhance the vitality and livability of the Chicago Metro area, the six county region. We focus on growth and development issues and have expertise on taxation issues. When I joined the organization last year it was clear that we needed to engage in and contribute to the debate on school funding that was expected to occur during this Session of the Illinois General Assembly. Last summer, MPC launched Reform '97, a year-long research and advocacy project on school funding, education quality and tax reform. The full name of our coalition, Reform '97 Quality Schools and Economic Growth, says a great deal about what makes it different than other initiatives. First, quality improvements and funding reform must be linked. Both are necessary to the economic competitiveness of the State of Illinois. The tired debate over what comes first, reform or funding, is unproductive. Clearly, our communities and our state, need both improved educational outcomes and the adequate funding to deliver those educational services. Both are necessary to produce the educated workforce that strengthen our role as an economic leader. Reform will '97 has tapped into some of the best minds and most innovative ideas on the accountability and performance side and the funding changes necessary to achieve them. We plan to offer proposals, for instance, on early childhood education, teacher training, licensing and alternative certification, termination of nonperforming teachers, mandate relief and other rewards for improving schools,

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block grant consolidation and many other quality reforms. We have consulted with educators, business leaders, mayors and many others to develop this information packet and a menu of options that we hope will be helpful to State Legislators as you begin the debate this spring. We are offering this information packet to not only Legislators, but other interested parties. Second, Reform '97 is distinct from other coalitions in recognizing that this debate about proposed funding changes can have positive benefits beyond our public schools, on homeowners, including senior citizens, employees, business owners and our state's potential for economic growth. The State of Illinois has a tax system that is more than 25 years old. are all familiar with the data about our increasing reliance on local property taxes to fund schools and municipal services. In addition, our economy has changed dramatically since the early 70's, with a decline in the manufacturing sector, the growth in the service sector, shifts in the geography of where people and jobs locate. A growing economic interdependence of our region and our state and changes in demographics too, things like size of households and aging population. What our state needs is a modern tax system that contains the right mix of revenues to promote job creation and retention, capture revenue growth and keep pace with these changes. Broadening this debate to include the proponents of property tax relief also broadens the base of support for change. perhaps of greatest interest to Legislators, is that Reform '97 has developed an exciting computer tool to model and map various options on school finance and tax reform. Programmed by a team at the University of Illinois Institute of Public Affairs, led by Associate Professor

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Therese McGuire, the model contains detailed data on and income for school districts and property sales municipalities. Reform '97 partners have been using this tool to examine and compare the various options already proposed and will be using this tool to develop its own preferred option for presentation very soon. We offer this computer model to any Legislator or group of Legislators that want to see firsthand the impact of options under consideration. Just ask us and there is a one page description attached to my statement, which has been distributed about the capacity and use of this computer model. The Metropolitan Planning Council and our Coalition partners urge you to join with us in an effort to educate the public about the need for and the benefits of change. We will be distributing this information packet, which is essentially a call to action containing quotes Legislators, tax facts, including guiding principles or 'must haves' for any Legislative package, answers to commonly asked questions. It will be in the hands of all Legislators and others, who need to be involved in the discussion of education performance and funding reforms. We will continue to sponsor outreach forums throughout the Chicago Metro area and distribute information about Reform '97 on our Website to build support for needed change. will be using our computer model to assist the General Assembly in evaluating funding options and we will use the model to recommend a funding approach that is fair, broad appeal and achieves the following goals: reducing the reliance on property taxes and therefore reducing competition between communities, assuring access to a quality education, no matter where one lives, improving educational outcomes and preparing the State of Illinois to

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be an economic leader into the next century. We hope that you will join with Reform '97 in advancing these goals and achieving real reform in 1997. Thank you for your attention."

Chairperson Phelps: "Thank you, Ms. Barrett. We're coming to an end here, so be a little more patient. The Illinois Business Education Coalition includes Don Ames, Jeff Mays, Ed Harmeyer and especially privileged to have Mr. Mays, who is a former Legislator for many years representing the Quincy area and I learned much about the appropriation process from him. Mr. Mays is responsible for the Chamber's education policies and positions. Mr. Mays."

Don Ames: "This is not Mr. Mays, unfortunately. My name is Don I'm President of the Illinois Business Round Table, which is an organization of 60 CEO's distributed around the State of Illinois. We thank you very much for letting us appear today. There are major quality reforms, which must be made in our education system. Time permits, my three minutes, permits only two examples. First, teachers need a better training, licensing, and professional development system. One ramification of this, which concerns us, is the fact that the Illinois reading scores have been dropping for the last three years. This is the most basic of all subjects. The Joint Education Committee of the Illinois Board of Higher Education and the Illinois State Board of Education has been highly critical of Illinois' current system of teacher preparation and licensing and lack of standards for teachers. It said, 'Schools of education do not give teachers the skills that they need in the classroom.' It said, 'Professional development of teachers is not in sync with state goals.' It said, 'Illinois is almost alone in requiring neither educational...additional

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additional experience for certificate education nor renewal, only a \$4 fee.' It said, 'These weak practices entrenched and can't be improved with minor adjustments.' Two task forces, one in Illinois and one national have said the same things and proposed thoughtful remedies. These are key to ensuring that our kids have excellent instruction, both in the near and long term and we ought to be about taking care of that problem. second example, of a needed reform is a perfect example of how increasing the freedom of a local board of education make more financial flexibility and improve can the education of children. That example is Chicago, with its board and management, given by this General Assembly, the ability to act free of onerous work rule constraints and The General Assembly gave Chicago these state mandates. powers, which should be extended to all schools and their elected Boards of Education in the state. First, the power to reconstitute failing schools, to free students from the yoke of ineffective nonperforming school personnel in those failing schools. Second, the freedom to decide the key matters of benefit to students, without having to restrict them through negotiation, such things as class size, length length of the year, reductions of day, in force. outsourcing and so forth. Third, to Chicago, and should be extended, the consolidation of state categorical funds into block grants. This gives more flexibility in spending, saves administrative paperwork and if extended statewide would make state dollars go further. A very important matter. Fourth, consolidate property tax levies for the same reasons. Fifth, free students from nonperforming teachers much sooner. In Chicago it can be done, if it is done right, within 45 days, than in the rest of the state

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where it takes at least one year of remediation to accomplish that. Sixth and last, the ability to out source any district operations if the same or additional services can be delivered more efficiently and at less cost. It is vital to make these and many other changes in the current Illinois system, in order to help students to succeed and to do it much more efficiently. Thank you very much."

Jeff Mays: "Thank you very much. Mr. Ames, my name is Jeff Mays, I'm with Illinois State Chamber of Commerce. I had the privilege and honor of sitting where you sit, for about five terms and turned it over to a pretty decent guy, named Art Tenhouse and he has taken it to the next level. But, I appreciate the time that you are giving us and mindful that we have to keep it as concise as we possibly can. Mr. Ames has discussed some of the fundamental reforms that can translate into significant savings and reallocations in every of the 900 plus school districts throughout Illinois that didn't get what Chicago got in 1995. They are sensible changes that make the education engine run better. Now, the Illinois Chamber is a large and diverse statewide association of businesses and local chambers. Our members serve on local school boards throughout Illinois. have children in our public and private school classrooms and they pay, as both individuals and companies, a large portion of cost for education. Their commitment to education is broader than just civic responsibility. It is rooted firmly in the future economic viability of enterprise. Not only are their products available now and tested on a worldwide market daily, the skills needed to produce them, especially through the advances in technology that we have seen of late, can be obtained and are increasingly available on a worldwide basis, too.

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Therefore, we need the best possible that we can get from the education system. We need it. Now, in this debate, currently, there are three issues that are frequently discussed on the funding side. Mr. Ames talked about some substantive changes that we believe are prerequisites to these discussions. They're adequacy, property tax relief and state share of spending. On the adequacy issue, we believe that adequacy must be viewed not in the context of funding, but in the context of expectations and performance. Initial steps to do this have been taken and are very encouraging, but they are not yet in place. still do not have student academic standards, let alone teacher standards, let alone assessments that align to them, to tell us how we are doing, for what we are expecting of our kids. Those are critical components that are still underway. In the absence of these assessments and standards, what you have in spending and performance is what you will see in the handout, that I handed out, from the Taxpayers' Foundation, where they did a comparison of spending to performance on school districts. And you can see one school district spent \$14,500, another spent \$2700 in the same cohort and their test results on IGAP were virtually the same. Without standards, student teacher or assessments to measure them, this is what you have and this the system problem that needs to be addressed. Now, another handout in our packet addresses the issue of property tax relief. We believe that such relief, if it is to be component of a package, should be uniform and permanent. I think you will see in the handout that under the proposal that has been bandied about by the School Management Alliance, you have a major increase in state taxes of \$2.2 billion, which boosts that income

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permanently. You also have a decrease in the base of billion. From that point forward, though, the base grows at a different rate again and we are going to back in this same situation again with education funding falling below 40% within six to eight years. Property tax relief under that plan would indeed be gone by year three. Look at that it shows the historic property tax base growth and chart, income tax spending growth for schools and it is a disparate thing that you would want your constituents to be aware of if you truly sell the issue of property tax relief. That same dynamic, a larger local base and state even after the move, a larger rate growth on local property taxes than state, that same dynamic, indeed, brings you down from the 44% level of funding that their increase would get you to, consistently every year throughout the duration of this plan. Those are concerns that we would feel you should be aware of and we would want you to be sure in terms of your relationships with your constituents, not to say that this is permanent tax relief piece, because indeed, in three years your tax bite would be less. Finally, when you talk about increasing income tax 1%, what you are basically asking people employed in the private sector, who work on average 257 days a year already, you are basically asking them to work another 2 1/2 days to Now, if you can give relief of half of fund this plan. that, than they are only going to work an additional 1 1/2 days, but they are still going to have to work more to do whatever it is that this Body decides to do. Please keep in mind, because they are the ones that will that ultimately be the payer and the beneficiary of whatever the system is that you devise. And, you won't see a shift like that on any printout that is produced by your various

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staffs. It is a shift from the private to the public and not the public generally, but the public education system. Please understand how dramatic that shift would be. And we appreciate the opportunity to enter this debate. It is going to be a vexing one for the balance of the year and we will come to the table in good faith."

Ed Harmeyer: "Thank you, Mr. Chairman, Mr. Speaker for this opportunity to address the Body today. I'm Ed Harmeyer, Director of Policy for the IMA. Ι represent 4000 manufacturing companies throughout the State of Illinois, who employ over 750,000 workers in this state. Illinois Manufacturers' Association and the Illinois Business Education Coalition, support a well-educated work force. We work with groups that share our beliefs that the education question is about kids and expectations and our responsibility to accomplish the task of educating students effectively and efficiently. The school funding plans presented today ask for new taxes to solve the problems of adequacy and equity. The adequacy number of about \$4500 represents the cost of educating a student at a particular moment in time. It is a static number representing a snapshot of the cost, given all the things the schools must do and put up with. What if you repeal a mandate, such as drivers' education, that have nothing to do with academics? if you give school districts the authority to privatize? What if you provided a real alternative teacher certification process, allowing schools to hire local experts as part-time teachers, local CPA's that teach bookkeeping, for example? What if you consolidated small 'dole' districts into larger more efficient unit districts? What if you did these reforms? What happens to the adequacy number then? It goes down, way down. It is true

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that the variance in funding from one school district to another is as much as \$12,500. Yet, a budget rule of thumb is that 80% or fully \$10,000 of this variance is caused by teacher salaries. Is it the state's responsibility to equalize salary and equities caused by locally negotiated contracts? Local schools are called local schools for a reason. The locals control the schools, they negotiate the contract based on the reasoning that they either can or will fund it. Adding a 'McMann Type Index' to the school aid formula to compensate for regional or county cost differences would seem to be common sense addition. cost \$4500 to educate a student in Lake County, might it not only take \$4000 to educate a student in Springfield or Jacksonville? Adequacy and equity are not the right starting point for discussing education funding. problem defines the starting point. The problem is that we, parents, businesses, society at large are not happy with the skills, the academic knowledge, the employment-related abilities of our graduates. The starting point then is to define what skills we want graduates to possess, academic and occupational standards, at that point we can cross out the adequacy number, which will represent the typical cost of insuring that the typical student will meet the desired skill level. Only after defining our expectation and determining that we afford it, does it make sense to address a properly defined equity question. Equity isn't the same funding for every school. Equity is assuring a essentially equal opportunity for all students to meet our expectation. Education funding and reform are not separable issues, one impacts the other and yet, it makes no sense to attempt to answer the funding question without first addressing the reform

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question. Students don't care that a textbook was bought with income tax dollars or property tax dollars. That is an adult issue. It is a tax question, it is not an education issue. Setting expectations, standards and holding teachers, parents and students accountable, matters to the student. Education reform can be the way to focusing on the child. Thank you very much."

Chairperson Phelps: "Thank you very much. Representative Mike Giglio brought to my attention a group, even though they weren't on the program to present today, I have a circular written testimony of sort. They are known as MAC, Metropolitan Alliance of Congregations, which is composed of more than 120 member religious congregations throughout the Chicago Metropolitan area. Representative Giglio for bringing that to my attention. The very last presenter today is Dr. Robert Hill. serves not only as superintendent of Springfield Public Schools, but also as president of the Large Unit District Association, commonly known as LUDA. LUDA represents school districts that are collectively responsible for more than 50% of the state's public school children. here real early and we appreciate you waiting all day. Just remember the Good Book says, 'The last shall be first'."

Dr. Robert Hill: "Speaker Madigan, Leader Daniels, Chairman Phelps, and distinguished Members of the General Assembly, on behalf of my colleagues at LUDA we express out sincere and heartfelt thanks for allowing us the chance to participate today. In all honesty, I think I feel a little bit like Zsa Zsa Gabor's sixth husband going last, given what you've heard. I appreciate your patience and I'll attempt to condense some of my comments in respect to your patience. My comments are based on the principles that are

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contained in a plan that was developed by the members of LUDA about two years ago and we think fundamental to what you're going to deliberate this spring, is answering this question. Whose children attend Illinois Public Schools, and who is responsible for educating them? LUDA schools comprised of the 51 largest K-12 districts in the state, as mentioned, serve approximately one-half of all the school children of Illinois. Our organization's members include Chicago, suburban districts, and the urban K-12 districts all nearly major downstate cities of Illinois, stretching if you will, from east to west and north to south across the state. From the perspective of the members of our organization, which we believe reflects comprehensiveness, the complexity, and the diversity of our state, we believe the answer to the question posed, and to echo the words of Senator Berman, is that all of our children attend Illinois Public Schools and it is collectively the responsibility of all of us to afford to every one of those school children an education that's academically challenging, accountable to the taxpayers of this state, and adequately funded, regardless of where those children live or attend school. There are two basic foundations to the LUDA Plan and I'd like to just share those with you as a beginning point of becoming more specific. First of all, in our study and our work, we find that funding for Illinois schools, which now is not connected to the performance of students, should be tied to student outcomes. And secondly, we'd like to suggest that the General Assembly and the State Board of Education must create a funding system that uses existing funds more efficiently and effectively and which provides adequate funding to all school children. To date, much of the

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attention regarding the creation of accountable schools in Illinois has focused on setting standards. LUDA has always supported and continues to support those initiatives. are central to an effective quality assurance plan. LUDA Plan, however, also points out that setting higher standards, alone, will not guarantee better student performance. Such improvements must be supported by a bold and appropriately funded plan for increasing the capacity of teachers to teach and students to learn. Specifically, LUDA has identified three over-arching needs that must be addressed in order to fulfill the mission of having high quality schools in the 21st Century. We think these needs define why it is that we must seriously and continuously consider the question of adequate resources. The first of those is the need to provide professional development including the initial preparation of teachers, induction of new teachers into the profession and continuing in-service training that will enable those teachers to initiate new instructional techniques, assessments and technologies. As mentioned by a previous speaker, the second need is to develop and technology to manage accountability systems and deliver meaningful and relevant instruction. And the third, is the need for adequate time in the school day and the school year to implement quality assurance initiatives in order to assure that changes being made in schools align to improve student performance. LUDA believes that school funding reform in Illinois should begin with a commitment to increasing the effectiveness and efficiency of the existing funding. We recognize that a lot of dollars are spent already in the support of schooling in this state, but the efficiency and effectiveness of those funds are severely

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Those limitations are the result of current tendencies to restrict local discretion in the use of funds by overreliance on program mandates an and categorical funding. We propose six constructs for funding of elementary and secondary rethinking the education in this state. The first of those is that basis for the funding mechanism should be an adequacy model cost of attaining student performance tied to the standards. The Coopers & Lybrand model recommended by the Governor's commission, as well as the work of the task force, chaired several years ago by Senators Berman and Maitland, are examples of those types of model. suggests that the key elements of such an approach, include recognizing such issues as the state's accountability system, regional cost differences, appropriate adjustments for inflation, the higher cost of educating some students and other issues related to student success and student achievement. We also believe the model should include provisions for the state's participation in funding capital development improvement in local school districts. second construct is that the General Assembly should adopt the funding plan which recognizes different costs and eliminates many of the current categorical programs. think that, immediately, some funds currently distributed through the state aid formula, that the categories that are not distributed, some should now be included in the formula and over time, eventually, nearly all should be included in the general state aid formula. The focus of this move from categorical funding to a more inclusive use of the GSA formula, and/or block grants, should be flexibility, efficiency and fairness for all schoolchildren. Our third construct is that the funding plan should specifically

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recognize or account for a list of student needs and the testimony that you have in writing goes into those and I'm But I'd like to discuss a not going to discuss those. point made earlier by speaker who said а that school brighter and more schoolchildren today come to prepared than at any time in the history of our agree with that statement. That's true, on average, of all kids. But at the same time that statement is true, the disparity of what children bring to school is greater and wider and broader than it has ever been before. And if we answer the question that all of us are responsible for the well-being of all of the children, including those at the low end of that spectrum, then we must in our funding mechanism allow for the fact that some students don't come to school prepared and we must be willing to prepare them. Otherwise, we will write them off from the beginning day of kindergarten. LUDA also suggests that non-instructional needs such as transportation, breakfast, and lunch programs, student support service, and so on, be included in a funding proposal but not in the general state aid formula. Our fourth construct is that the General Assembly should provide funds to extend the school year in order for educators to develop and implement a quality assurance system. Specifically, we recommend that the school year in Illinois be lengthened by 15 days or its equivalent in time We believe that it's essential to restructure and hours. the use of existing time prior to adding time to the school day or school year. Local districts should be empowered to make the decisions on how to restructure existing time and how to use additional time. The fifth construct is that the revenue system should consist of the broadest, fairest, and the most responsive tax mix for funding elementary and

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secondary schools. The current overreliance on the property tax for funding Illinois schools is separating local districts from the willingness of their communities to support education. We suggest the reform revenue system should include: Providing local districts with an option for generating revenues in excess of the foundation level, for providing a variety of options for generating local revenue, including expanded means for meeting capital needs, an equalization of the tax rates authorized in the School Code for dual and unit districts, raising the floor for minimum tax rates necessary for local school districts to receive state aid, elimination of the double whammy effect that occurs for districts operating under Property Tax Extension Limitation Acts and removal of life safety funds from the tax cap. Our final construct is, that the reform of educational funding must be phased in and take place over multiple years. It's interesting to me that in all the comments this morning, very little attention has been paid to an important group of people and those are school board members in the 900 plus school districts across this state. I'm joined this morning by the President of the Board of Education for whom I work, Mr. William Enlow. And I would like to point out that our school district, with Mr. Enlow's leadership, our district has made a commitment on a local level to doing the kinds of things that I've talked about being in the LUDA plan. When Mr. Enlow makes decisions as a school board member, he brings many interests to the table. First of all, like you, he's an elected public official charged with the legal responsibility to act in the interest of the constituents who elected him. Secondly, his decisions affect the well-being of his family. He has children in

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the system. Thirdly, his decisions affect the fact that, he is an active participate in the business and commerce of our community, this region and the state. And he has, if you will, a businessman's interest in his decisions. There's one missing link in our community to commitments we've made at the local level, and that is, we lack a funding system that is stable and is predictable We need your help in doing that. over time. LUDA recognizes, as you can see from the testimony, that you've heard this morning that a significant number of groups and individuals have devoted countless hours to the task of proposing ways to perform school funding in Illinois. We that there are many similarities among the suggestions you've heard today and some differences as well. We commend all of the organizations and individuals who've made the commitment to make this issue the centerpiece of the current Session of the Illinois General Assembly. LUDA pledges its continuing support, commitment and energy to making 1997, the year when all of us work together to improve school funding, so that all of the school children of Illinois benefit from this endeavor. Ladies and Gentlemen, LUDA thanks you for this opportunity to participate today."

Chairman Phelps: "The House Committees will be delayed until 12:15. So, don't anybody run away yet. Thank you, Mr. Hill, for your graciousness in being last. Now, comes the time for you to speak, if you'd like, as Members only, to ask questions. Let me reiterate, there are index cards at the corners of the Gallery and the Speaker's Gallery behind me, for questions to give to staff, to give down to your Legislator to communicate your question. And then those presenters that will be answering the question that it's

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directed to, please use the microphones in front of the podium to answer the questions. First let me recognize for whatever comment, Representative Joel Brunsvold, the former Chairman of the House Elementary Secondary Committee."

Brunsvold: "Thank you, Chairman Phelps. Let me congratulate you and Mary Lou Cowlishaw, the Spokesperson Republicans, for your effort today in putting together this forum to deliberate on the education proposals that we will be working on this spring. I've been on Education Committee since 1983, and have gone through a process of a in education itself. A lot of financial lot of reforms considerations dealing with the formula, and let me that I want to thank all the presenters today for their comments. They will be taken into consideration as we deliberate this spring on what we can do as a House and a Senate to put together a proposal that by June 1, hopefully can pass and do something for the education of the children of the State of Illinois. Let me thank the people in the balcony for coming, because they are here and they're part of this process. And let me emphasize to everyone today, that it's going to take the House and the Senate and the Governor's Office working together to get something accomplished by June 1st. And if these three entities do not come together, then we of course, will not be able to put together a package. All three have to work together in a bipartisan effort to put together this And, I think you as presenters, and people in the balcony should be congratulated on your effort to put this before the General Assembly and the Governor's Office, so that we can have the parameters to work for, for June 1st. Thank you, Mr. Phelps, Chairman Phelps, for your efforts today and Speaker Madigan, and Lee Daniels for helping put

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this forum together. Thank you."

- Chairman Phelps: "Thank you, Representative Brunsvold. Written testimony has also been submitted by the Illinois League of Women Voters, Marty Swanson and the Illinois Retired Teachers' Association and I'm sure a host of others have presented written testimony and we appreciate that. Although it hasn't been read and brought to our attention. Let me recognize Representative Monique Davis, Minority Spokesperson on the House Elementary Education Committee."
- Davis, M.: "Excuse me, I'm the Vice Chair of the Democrats, of the Democratic Party..."
- Chairman Phelps: "Excuse me. Vice Chairman. Thank you. I appreciate that."
- Davis, M.: "...Elementary Secondary Education Committee. Democrats are no longer in the minority, so it is not the Minority Party in the House anymore. I'd like to commend all of those who came down to voice their views and their concern and to establish the significant importance that the State Legislature take its full responsibility in finding adequate funding for the schools of boys and girls in the State of Illinois. I'd like to take a page from Bill Gates' book, The Road Ahead and I think it's truly important that we realize that what we do today is preparing that road ahead, whether that road will be a rocky road, whether that road will continue to be a tumbling, crumbling, school building road or whether that road will be one of buildings, of high possibilities, providing the tools for communication to all children in the State of Illinois, will be dependent on what we do in this Body, this year. I'm very impressed with the comments from one of the speakers, Dr. Weber, in reference to the certification of teachers. I'm very, very

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concerned when we are not considering the dedicated full-time basis subs, who are people who have had or have degrees in subject matter, but those subject matter examinations have not been held for a number of years. Because of that, these people have continued to labor with less pay, same hours, same subject load, but because their examination has not been given, they're considered full-time basis subs. So, in my opinion, for us to jump over them and certify a new group of people who have never labored in the field, with full compensation appears just a bit unfair and I don't think we really want to do that. do know the Governor has signed that Bill for alternate certification for a group of people in Chicago only, can only teach in Chicago and even after the four years certification, they can still only teach in Chicago. have neglected the fact that there are a group of people there called full-time basis subs in Chicago, who have labored in that vineyard and who have not been given certification. And, my concern would be that a new group would not get it over them, if the process is shortened. Again, Mr. Chairman and to your Co-Chair, Mary Cowlishaw, I commend you for bringing this illustrious, fine group of citizens to give us a full range of what our possibilities are. Let us move ahead. Thank you."

Chairman Phelps: "Thank you, Madam Vice Chairman of the Education

Committee. We value your expertise. Thank you. The

Gentlemen from Vermilion, Representative Black."

Black: "Yes, thank you very much, Mr. Chairman. I have a question and I'm not sure who can answer it. I know, Senator Berman, talked about it, I think Dr. Weber talked about it. One of the concerns, I have, deals with the definition of equity. When you have the wide disparity in

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a state as diverse as Illinois, with figures I heard today, one district spending \$16,400 per pupil, down to a low of the \$2400 range per pupil. And then, I think Dr. Weber the property tax relief will be assured by distributing a flat grant to all but the wealthiest districts. So, my question deals with that definition of equity. If there is to be a tax increase distributed among the districts, how then do we address the fact that one district is already spending \$16 thousand, one is significantly under the foundation level that we've heard? Does that mean that some districts will get nothing from a tax increase, including property tax relief? I'm really confused as to that definition of equity."

Chairman Phelps: "Senator Berman."

Berman: "Representative Black, you have an excellent question. Equity is like beauty, it's in the eyes of the beholder. Because I have heard debate over in my Chamber on the Senate side, that this year's funding formula where there was \$50 million allocated on a per capita basis, whether I went to New Trier or whether I was in Calumet City, which are on the opposite ends of expenditure, each child got \$250. Some people call that equity. I didn't call that I thought that was inequitable. But, let me equity. address your question. What I mean by equity, is that every child in Illinois has the opportunity for a quality public education. Using the formularies of a foundation level today of \$4225 or some number around there, what that says is, that every child in Illinois should have at least that amount of money available to him or her for their education. Now, sometimes we get confused with some of these numbers, because if it's a poverty level child it's substantially more than \$4225. It would be closer to \$5 or

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\$6 thousand. But, that's what I mean by equity. That every child has that opportunity. Does that mean that the children that go to schools like in Byron, or New Trier, or Evanston and Niles, two districts that I represent, should they be penalized? No, that's why I said, bring the bottom up, doesn't mean bring the top down. But every child should have the opportunity for a quality education. That's what I mean by equity."

Black: "Thank you very much, Mr. Chairman, and thank you, Senator."

Chairman Phelps: "The Gentleman from Cook, Representative McCarthy."

McCarthy: "I would like to address this question, I guess to Dr. Weber, from the Ikenberry Commission. Dr. Weber, would you please step over for this question? Dr. Weber, we've been given information today that shows the per pupil spending in'94-95, school year. One brochure has it at \$68 hundred average, the other...the lowest brochure in the packet I got has \$59 hundred. As a member of the Ikenberry Commission, would you then say that, like in my area, every one of my districts spends more than \$42 hundred. Would the Commission then have the view that everyone spending more than \$42 hundred is wasting money?"

Dr. Weber: "No, we never maintained that. The \$4225 is an adequacy level and it wasn't just drawn out of the air. It was the result of a practice which is often used in American industry called benchmarking. And they went in and they got a sample of high performance school districts, in terms of student achievement and which appeared to have a well-honed sense of efficiency. And that's how they came out and they looked at their expenditures precisely and it showed that on average they spent \$42 hundred and \$25.

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That doesn't mean that everything else is wasted, because there are certain additions that you could relate to the educational process which reflects local choice. A earlier question indicated, what's equity or asked, what's equity? From the commission's point of view, equity basically had three components. One, every young person and a student in the state should receive funding that gives adequate level of education. That's not a superlative level of education, it's not an exemplary. But, the notion is, it gives that young person the basic skills of literacy, reading, computational skills, a sense of history and social science and into the physical sciences. second element is, we didn't argue that everybody should get \$4225 just by filing an application. They all had to apply a threshold tax rate and there was some discussion of what that tax rate should be and it varied from 3 to 1%...depending on what the nature of the school district. And the third element of equity was that each school district, with a deep respect for the localism and local preferences in that district, would have the opportunity through the democratic process, to raise taxes above that minimum level in order to enhance the educational experience. So, we tried to balance what we considered was the proper relationship between learning requirements to equip these young people to operate in a contemporary world and labor market against financial prudence and laying on top of that the right to exercise choice. So, the answer is 'no', it isn't wasted, that's a long way around."

McCarthy: "And do you know what the average teacher salary was in the district you used, that would be spending a \$4225, what the average teacher salary would be?"

Dr. Weber: "Not offhand. And you know, our position is, I think

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it's grossly misleading and unfair to say, that 80% of a cost associated with education, you know, is somehow excessive or bad. It's a people business. I ran a large university and our cost was 75% of total cost. We have much heavier capital costs. From my point of view and the point of view of many other people on the commission, the notion isn't to somehow suppress your wage and salary cost. The notion is, to make sure that you get value added for what you spend on those people and that gets to two elements. One, the qualification which relates to the certification and tenure process. And two, the capacity to evaluate their performance by looking at the performance of the school and the kids."

McCarthy: "Well, when you came to this, you know, spending level though, in your commission report is there an average teacher's salary? Is there an average teacher experience, an average class size?"

Dr. Weber: "I'm sure...I'm sure there were because they were derived from the actual data. I do not know what they are, offhand, but because they actually went into a number of school districts, obviously there would be an average. And I think it would probably not be out of place to say that the average class size was between 20 and 30. And since the school districts weren't heavily or exclusively in the Chicago area, that the salaries were not \$50 thousand a year."

Chairman Phelps: "Could we have it quiet, please. Thank you."

McCarthy: "Thank you."

Dr. Weber: "Thank you."

Chairman Phelps: "The Lady from Cook, Representative Mulligan."

Mulligan: "Thank you, Mr. Chairman. I certainly would like to commend all the presenters today, that took their time to

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come and to present facts. But the facts were various and some were conflicting. And I certainly disagree with blanket statements because I think each person here, each Legislator feels that their district is unique and it's hard to make blanket statements. And although I have questions of individuals, the main one being in my district, how do we keep from leveling down? Ι feel in order for us to continue this discussion, which will probably be one of the most important that we have this year, that I would like to ask the Chair and possibly the Taxpayers' Federation because I sought out the information and could not receive it. For additional information for all Members so that when we come together to discuss this, we have information. And the information that I would like is I would like to have income tax revenue by individual school district, not by county, as my county is Cook and it's quiet diverse compared to the City of Chicago and the suburban district. I would like to have sales tax collected by school district and I would like to know the amount that would be generated by property tax relief by district. And I would like to know how much actual tax would be collected with correspondingly increased expansion of personal exemptions on income tax. If we're going to give out exemptions and we're going to raise the income are we going to create an equitable system here? think all those figures are important for us to when we come together to make these decisions in an informed manner. I cannot in good conscience not hope to level off education or create a better system of education for the children in Illinois, but not at the expense of my own district. When my poorest school district generates 50% more than the suggested amount of the state amount of

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equitable funding or however, we want to look at it. And my high school districts all take in three times that much for what they spend. In order to understand what I'm going to impact my district by what I vote and what we choose to do, I need these additional figures which seem to be unavailable. I do not want to vote in a vacuum of either feeling that my district will be penalized or not wanting to help the children of Illinois. But, if these figures are not available from a reputable source, it will be extremely hard to continue this discussion."

Chairman Phelps: "Thank you, Representative, your comments are so noted. Mr. Bramlet, can you help to provide some of that material for us? Thank you. The Gentleman from Cook, Representative Dart, recognized."

Dart: "Thank you, Mr. Chairman. I have a couple of questions for Mr Bramlet. Tim, if you can answer a couple of questions here. One is, I was wondering if you could address the statement that was made, that a tax swap would actually end up costing individuals more?"

Bramlet: "Well, that's what I talked about. On the surface, it would appear that there would be a windfall for businesses in Illinois. But, the problem is, in a lot of cases, it's apples and oranges. There are 267 thousand small businesses whose income tax is reported as part of the individual. I think, I don't have the answers yet. We're working with the Illinois Department of Revenue to try to produce them and I think that's going to have a major impact as to which sector benefits or not. So, my answer is that it's a little early to make that judgement. We really need more data."

Dart: "Okay, because my concern is the statements that were made dealt with individuals basically, were going to be the ones

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who get stuck if we had a tax swap. From the data you have, you don't...you can't make a determination right now?"

Bramlet: "Not yet, but hopefully very soon we'll be able to have it. I think what you need to do...it's going to be very hard to just have a broad sweeping plan that doesn't benefit one group against another. We may need to manipulate it a little bit so everybody gets a fair shake and nobody comes out in better shape than another sector does."

Dart: "Okay."

Bramlet: "It's going to be difficult to do, is my point."

Dart: "Two other things. The point was also made that more money does not correlate to better test scores and also class sizes have nothing to do with test scores. In your role on the Ikenberry Commission, were you able to confirm that, to dispel it?"

Bramlet: "I don't think we came to any firm conclusions and not to punt on the answer to this. But, I think in some cases money would make a difference and in other cases it doesn't. I think you can't make a broad generalization one way or the other. It depends on the school, the type of students you have, what their base is."

Dart: "Okay. Thanks. Mr. Chairman, I just want...I was going to throw that out and turn to the other people that spoke, if somebody could rebut those contentions, if there was some other individual spoke for change in the system because it seems to me that it's a very important issue if... that funding, there is no correlation between...increasing funding and test scores. It seems as if we might have a little problem there. So, if there's some individual who has some information on that, I would like to hear from

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them."

Chairman Phelps: "Thank you, Representative. Anyone like to respond to correspondence brought to our attention? Dr. Hill."

Hill: "I can respond to the class size research. The class Dr. size research is really all over the place. But generally speaking, what it says is that, at both ends of the extremes class size does make a difference. You can get to some point where if you exceed that number, it's going to have a detrimental effect or on the other hand if you can break it down to a number that we might all agree, we'd never be able to afford it. It would also have a significant difference in the other direction. So, the research is mixed. But I can tell you this, from my role as a school superintendent, no issue that I raise with parents do I get more phone calls on than the issue of class size. Parents believe that class size is very important to the environmental conditions in which their children receive education. And, I am lobbied regularly by the parents of children to either reduce class size or keep it low."

Chairman Phelps: "The Gentleman from Cook, Representative Kubik."

Kubik: "I was wondering if I could ask Dr. Weber a question?"

Chairman Phelps: "Dr. Weber, just in front there if you would like."

Kubik: "Doctor, earlier today you spoke about... aside from the funding aspect of your work on the Ikenberry Commission. You spoke a little bit about performance, teacher performance and that we ought to, there are ways to link teacher performance with money. Could you briefly give us some ideas as to some of the ideas that were floated in the commission and on how we link teacher performance and

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money?"

- Dr. Weber: "Well, I can't say that the commission embraced the idea in detail. Personally, as somebody who has spent a career in education, I embrace and strongly endorse the idea. I think it's anomalous and counterproductive to say that everybody..."
- Chairman Phelps: "Excuse me, Dr. Weber. Please give the Gentleman your attention."
- Dr. Weber: "That everybody gets an equal pay raise, merely for the passage of time and demonstration of physical alertness. You know. So, what we're saying is certainly a general increase would reflect broad economic factors, what in the labor market, what happens in inflation. But right now, the increment on top of that, is largely focused on so-called Step and Lane progressions. And the 'steps' are associated with seniority, the 'lanes', merely taking courses. It seems to me that that component could be more effectively used by linking it to criteria for performance. And we suggested a Bill along that line last time which went down to ignominious obscurity, because it raised the hackles of people who have a vested interest in the existing system. One of the things you certainly could look at is student performance in general. And you look at the IGAP and the other tests scores and those are a reasonable benchmark to begin. But in a particular school, because of its mission or its focus, you might want to have a special emphasis on science or social science mathematics. And the weights associated with those activities might be different from school to school. could also identify a particular project that you will increase the computer and technological skills of your person. And I want to point out, that in terms of my own

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thinking and experience elsewhere, this isn't laid on, you know, from heaven or above that in a constructive program both the teachers and administrators will sit down, relate this to the immediate goals of the school and the needs of the students, develop the appropriate criteria and develop a consensus. Now, one other criticism has been made of this approach, that it pits one teacher against another. I don't think that necessarily happens. It doesn't happen that way in a university. But if you feel that it does, you could establish the pay for performance unit using a group of teachers or the entire teaching force in the school rather than individuals."

Kubik: "Thank you."

Chairman Phelps: "Thank you. The Gentlemen from Bureau County,

Representative Mautino."

Mautino: "Thank you, Mr. Chairman. I have a couple of questions very briefly. But, if you would, is there and we haven't heard anything from the State Board of Education today really. So, I wanted to find out, first of all, do we, as a state, track how many teachers or teacher dismissals are We've heard a lot of discussion today on the pending? accountability aspects and it seems that I'm surrounded by superintendents, school business officials from all over the State of Illinois. And a little informal poll we've been running on the House, I would like to ask them, they're in the Galleries here? How many have had calls from parents questioning the capabilities of their teachers My superintendents here mention that in 40 to instruct? years they have two or three actual phone calls in their experiences. And so, we have a very interesting forum in the Gallery and on the Floor here, I'm just wondering how pervasive is this, since it has always tossed out as far as

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teacher accountability? So, a real quick one to the Gallery, to our school business officials gathered today. Is this, by show of hands? Do you have a lot of parents calling in to ask you or complain about the capabilities of the teachers to teach?"

- Chairman Phelps: "Resounding ,'no', it looks like."
- Mautino: "Yes, I'm hearing some resounding noes out there. Can someone from the State Board of Education tell me how many cases we have pending? Or how many cases we had last year for teacher dismissal?"
- Speaker Phelps: "Representative Mautino, we have probably placed them at a disadvantage, I don't know if they're prepared to answer that question but perhaps we can find out the answer real soon."
- Mautino: "I would hope, Mr. Chairman, as these go forward that we would take a look at some of the groups that ask for the increased accountabilities. And we've heard these in the past that if you give us these increases in testing or in academic standards, then the dollars will follow and we will put this towards our students and their futures. I hope that when we take this into consideration, that we try and weed out some of the red herrings and focus on the major issues."
- Chairman Phelps: "Thank you. The Gentleman from Whiteside,

 Representative Mitchell."
- Mitchell: "Thank you, Mr. Chairman. I have some questions of Mr. Sampson..."
- Chairman Phelps: "Who was the Gentleman to answer the question?"
- Mitchell: "Either Wayne Sampson, or someone from the Fair Funding Coalition."
- Chairman Phelps: "Okay. Go ahead and ask, there will be someone available. Someone try to speak for them, that group that

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presented... but go ahead and ask your question. Go ahead and ask the question again."

Wayne Sampson: "Could the question be repeated again?"

Chairman Phelps: "Go ahead and ask the question again."

Mitchell: "Okay. The first question that I have goes back to the foundation level of \$4,500 a student. We had information from the Ikenberry Study that said, \$4225, just a couple of years before that. Did you folks go back to the Coopers and Lybrand Study to come up with the \$4500 or is that just an estimate?"

Sampson: "Essentially, what we did is take the two studies that had been done before the one that Senator Berman talked about, the task force that went to \$3889, then we took a look at the Coopers and Lybrand Study that brought it up to \$4225. And we thought that there was some agreement among those numbers and we projected that foundation level, not for this year, but for two years in advance of \$4500."

Mitchell: "Thank you. I've also got some questions surrounding whether the alliance stands on the issue of teacher recertification, teacher training. In the beginning this whole problem of accountability seems to stem somewhat around the training and retraining of teachers. We, having also heard from the university level, technology seems to be one of the reasons why the cost of education is rising rapidly. Yet, I've heard from some of the parents in my district, some of the teachers in my district, that they don't feel the university, at this time, is utilizing the technology to the fullest advantage to teacher training. Can I just get some response on where the alliance or what the alliance feels about the State Board's attempt at recertification and retraining?"

Chairman Phelps: "Give the Gentleman your attention, please."

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- Sampson: "It has kind of been our position, that there are so many issues involved in education and they're so complex and funding being one of the most complex ones, that we would center on the funding issue and make that the centerpiece of what we are coming together to talk to you about. The other issues we will address at some other time, but first we want to take care of the funding issue."
- Mitchell: "Okay. Another question that I have been asked by one of my constituents is, what assurance do they have if we do agree to a swap, a switch, a change from property tax to some other tax base or multiplicity of tax bases, what assurance do they have that property taxes won't then again rise up beyond where they are today?"
- Sampson: "Well, theoretically, if we have an adequate foundation level and we can count on the state for that kind of funding, then we don't have to go to the...our taxpayers for referendums. I think that all of us who have had to run referendums aren't anxious to run another referendum again. And we would love to count on the state for the 50% of the funding."
- Mitchell: "Another problem that has arisen from the alliance's plan is that it seems as though downstate high school districts are kind of at the bottom of the pecking order when it comes to any kind of increase in state dollars or state funding. My high school districts feel that, it's actually a disincentive to consolidation rather than incentive to consolidation when they look at the percent of increase that some of the elementary districts are going to get in relationship to some of the high school districts. And they also don't believe that the cost of elementary education is as great as we seem to be saying that it is, at this point."

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Sampson: "You know, we've always said that this was an adequacy formula. That this would give us a basic adequacy level, wasn't an equity formula. It would set adequacy. When we set that level, \$4500, you then have to judge on where each district is compared to that \$4500. If they're below it they will get appreciable more dollars. If they are above it, they will not."

Mitchell: "You understand that's concerns that have been brought to me, that's not necessarily mine. Another question that's been brought to my attention, is that we've talked to the State Board of Education and they did a run on the Fair School Funding Coalition's relief of property taxes. Theirs is about \$745 million, where yours in all of your literature, states that it will be, \$1.1 billion. There's a slight discrepancy there of about \$340 to \$350 million, give or take a million or two. Can you explain what the difference is in their run and what you're stating?"

Sampson: "Sure. Again, what we did is, we ran those on data for '96-97. Because that is what we had available to us. There is going to be increased state funding prior to the enaction of our plan. We understand that. There will also be growth in the EAV, when you add in the increase state funding and the growth in the EAV and you project that out for when this program will come in. We're anticipating that it will be \$1.1 billion."

Mitchell: "So, basically yours is a projection at this point..."

Sampson: "The \$1.1 billion is a projection."

Mitchell: "Is a projection of future property tax relief depending upon when and if this austere Body comes up with a solution."

Sampson: "Exactly."

Mitchell: "Thank you."

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Chairman Phelps: "Thank you, Representative."

Mitchell: "And, Mr. Chairman, I just wanted to congratulate everyone that worked today, it's important that we do something, not so much for the education community but for the kids in the State of Illinois. That's the bottom line and I'm glad to see the PTA here along with a lot of parents. Thank you."

Chairman Phelps: "Thank you. The Gentleman from Cook, Representative Parke."

Parke: "Thank you, Mr. Speaker. I am appreciative of this day. The obvious complexity of this issue is something that should not be failed to be picked up by the media. Too many times I've seen editorials and articles in the media saying, 'Let's just get it done.' And, obviously, this morning we've seen that this is a very complex issue and it's not easy to solve it."

Chairman Phelps: "Ladies and Gentlemen, please give the Gentleman your attention. We just have a few more minutes, please."

Parke: "I have...it was brought to our attention that there was a statement made that reading scores in Illinois schools went down for the last three years. Can somebody confirm that statement for me, is that true?"

Chairman Phelps: "Would you say that... would you repeat that?."

Parke: "I'm sorry."

Chairman Phelps: "Could you repeat that, Representative?"

Parke: "Somebody make a statement that the reading scores for our schools have gone down the last three years. Is that true?. Can anybody make reference to that or did I mislisten?"

Chairman Phelps: "Did someone make reference to that?"

Parke: "Well, nobody can confirm or deny it. Okay. Let me ask this question. For the most part, all morning the

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presenters kept asking for more money. As if that was the only answer to the dilemma, is more money. You know, sort of saying, 'Show me the money, show me the money.' Well, we've shown the money to public education, year after year, year after year. And I just want to ask from anybody, if we give the education community another billion dollars as one of the proposals are, what can the taxpayers and what can the Members of the General Assembly expect next year or the following year to get for that money? Somebody come on up and tell us what we can expect will happen with the additional money you keep asking for. Anybody, please come up and tell us what are we going to get for the money."

Cunneen: "Again my name is James Cunneen I'm from School District 149, Dolton, South Holland, Calumet and I can tell you specifically what we would do with that extra money that we would have. We have severe overcrowding in our district. We need to add additional space, there's two ways to do that. Go out to our local taxpayers for additional bonds to sell to build extra schools or for us to use this increase money to build additional space. We would do You could come into my district and you could see our technology that we have. We're dealing with Apple II Those are computers in the 1980's variety. We would have that. We have books that are eight to ten years old. We would get new textbooks for the students. We have class sizes and just a quick comment on class sizes, I think every one of you could get a survey that would say that class size doesn't make a difference and I could bring you another survey that says, class size does make a difference. But our class sizes are of 30, 35, they would be 25. Those would be some of the things that we would do."

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Parke: "May I, just follow up on that and ask you? If we give you the money and you say you're going to build a school with it, or schools. You say that you're going to put it in books and we give you the money. Will every dollar we give you, go to your building program and will every dollar go to your textbook purchases? Is that what will happen to every dollar we give you?"

Cunneen: "No, not every dollar."

Parke: "How much of every dollar we give you would go towards that?"

Cunneen: "I would say a vast majority. Sharon, has a couple of comments to make."

Voliva: "Representative Parke, some of these came from your very own Legislative District. These are things that superintendents from around the state said about what they would do with additional funds: handicap accessibility to 3rd floor science labs, services for gifted and talented students, a return to a seven year cycle to replace textbooks, pay for materials, teachers, and building costs due to increasing enrollment, an academic summer school for all children, renew the \$1.4 million in program cuts that were made the year before. I have four pages of those and I'll be glad to share them with you."

Parke: "Okay. Let me ask you, if you're going to get that, how can I judge? You know, everything you're talking about sounds to me like expanding the base of programs. What about my child who's in the classroom? What does my child in the classroom get for all the dollars? Yes, those are nice programs, but are we going to get an improvement in test scores? Are we going to get more children staying in school because of the money we're going to give you? How do we evaluate, other than from what your talking about is

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that you want to expand the programs? I want to tell you, that the taxpayers are saying, 'You keep expanding your programs, yet we're not seeing positive results from it.' That's the frustration that I hear from my district and I would imagine a great many other Members of the General Assembly feel also."

Voliva: "I'm afraid I can only answer you by asking, do you believe that additional technology, hands-on science instruction would not produce a better student?"

Parke: "I would say, that it depends on how it's being done.

Technology, in itself, is not a panacea for all the problems that we're trying to address."

Sampson: "Let me ask you a question for a second. We've got a number of superintendents standing around here and a lot of us have not been expanding programs. There's been a lot of us who have been cutting programs for the last few years. You know, I think some of you need to come in and look at our schools. And I think you need to take a look at some quality school. And we all hope we're giving quality schools, but I think you need to take a look at some of these schools that are operating at that \$10 thousand level and then come visit me."

Chairman Phelps: "Thank you."

Sampson: "Take a look at my classrooms and then judge to see if you would rather have your child in the classroom for \$10,000 or you would rather have it for \$3800. I think you would answer to the \$10,000."

Parke: "Well, I appreciate that and I thank you, for stepping forward and being willing to handle the question. But you have to understand the frustration that we as Legislators have, is that if, in fact, reading scores have gone down, and I know that that's true; and if other scores are going

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down in various school districts, I know that's true also; and we have pumped in more money almost every year in the last 13 years I've been in the Legislature and the scores are coming down. Then there is a real problem and money cannot solve it. And I would challenge the Body and challenge you to look at the Kansas City experience, where they dumped tens of millions of dollars into the school district and had lower scores two or three years later. What we are concerned about is how education is provided to our children. It's very frustrating for you, it's very frustrating for us, because we are now addressing it. I think, the dialogue that we've opened up today is positive. But those questions must be answered because there's people in my district who say, if we give additional money and they don't do something with it, can we get it back? Can we cut it back?"

Voliva: "I believe I also have the answer for that, if you will.

We know that there needs to be another look at why children are not achieving. But we think part of that is because there needs to be more money at the lower grade level so the children are better prepared to go on to the higher grades. Now our plan will do that. And we think you'll start seeing an improvement in test scores. But we need to start at lower grade levels."

Chairman Phelps: "We've got two more questions and we're going to finish. The Gentleman from Rock Island, Representative Boland."

Boland: "Yes, thank you, Mr. Chairman."

Chairman Phelps: "Be as brief as possible, please."

Boland: "Yes, I will. I only heard one of the presenters today talk about the need to change our school district reorganizations into unit districts and I would ask the

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other presenters today if any of them have that in their plan? Any of them that would like to speak to that."

Chairman Phelps: "Dr. Hill."

Dr. Hill: "I'm Bob Hill, I spoke on behalf of the Large Unit
District Association and that's one of the principles of
our organization. We believe that organization of the unit
districts would lend a great deal to the efficiency of the
operation of Illinois schools."

Boland: "You know, again this could be one of those, 'be careful what you wish for'. Sometimes the concept seems very alluring that unit districts will produce better efficiency and they will be cheaper to run. We...one of the things that we're going to have to realize in this whole debate is that there is an existing structure in the State of Illinois. And to equate some of...to make a dual district a unit district may cost more money than it would save money. So, I think you need to take a look at that study to see where it's at. We have a lot of small districts in the State of Illinois, both dual and unit. So, it's not as simple as it may sound."

Unknown: "If I can just add one thing. I think that all of us need to be aware, at least from what I hear from my folks in my district is, that they do not, they are really tired of tax dollars being wasted in extra duplication and extra administrative levels that should be getting to the classroom for the kids and the teachers. The front line warriors, you might say. Second question I have is, we've heard a lot of talk about shifting to the income tax but I only heard from Mr. Comptom as to ways to make that income tax system fairer, so that lower and middle income people don't end up picking up the biggest load there. So, I would like to know, if in the other plans if there are...if

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they would agree with Mr. Compton to establish an Illinois
Earned Income Tax Credit and raise the individual exemption
to make the system fairer?"

Chairman Phelps: "Was that specifically for anyone?"

Unknown: "It's for any of the presenters."

Chairman Phelps: "Any volunteers for that question. Tim, try that."

Bramlet: "Representative, I would respond to one part of that question as it relates to raising the standard personal exemption. The personal exemption of \$1 thousand has been in place since 1969. It is worth very, very much less than it was at the time. And I would suggest that that would be something you all would want to take a look at if, in fact, the income tax is something that you use as a vehicle that maybe it's an opportunity to make it fairer across the board and that's one way to do it."

Boland: "Thank you, I would hope that all the other presenters that have various plans, that they would consider what was just said, because that \$1,000 is worth about \$250 today in today's dollars. Secondly, that I would hope that they would work with Mr. Compton there, of the Urban League and promote a Earned Income Tax Credit, so that low income people, which are already living from paycheck to paycheck, working people that they not get hit with an unfair tax increase on this thing. Thank you."

Chairman Phelps: "Representative, your point is well taken and the remaining presenters you might talk to them one on one after the meeting about further questions. Our final questions, the Lady from DuPage, the Representative Biggert."

Biggert: "Thank you, Mr. Chairman. I have a question, I think for the fair share funding group and my question is,

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whether the proposal takes into account that there is certainly a difference in the cost of living in the state, in different areas, and whether in talking about the flat grant or in talking about a level, is there any way that's taken into account or would we presume that in raising the funds for all areas that the...there would be the same cost of living in all those areas?"

- Sampson: "Yes, you're right. Again, it is an adequacy number and it's not an equity number, so that there is...when we're saying \$4500 or whatever, the foundation level would be, there would be no index as far as the counties would be concerned."
- Biggert: "Okay. Well, right now as far as...there certainly is a disparity between teachers' salaries and everything, so this would be something that that would close that gap, most likely. Then the other part of that question and I don't...I'm really looking for an answer and I don't quite understand this. But there's kind of something that we need to ensure that the local area will continue to make sure that they do their share in raising funds. Is it raising funds? Could you expand on that a little bit?"
- Sampson: "Yes. We have a minimum effort of 150, \$153, 150 for high school and elementary, \$3 per unit and if you fall below that level you lose access to the funding formula and then you just get the flat grant amount. So, there's a very strict component in there for local effort."
- Biggert: "Thank you very much, and I appreciate all the presenters today. I think that the subjects that were covered were well covered and we certainly gained a lot of knowledge in a short period of time. Thank you."
- Chairman Phelps: "Thank you, Representative. Ladies and Gentlemen, we're just winding down here. Let me

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in saying, I would like to thank the just...remark presenters taking their time, the cooperation of the Members and your attention this morning. Also, Mark Boozell from the Governor's Office for help shaping our and the presenters, Speaker Madigan for his agenda receptiveness in allowing this time this morning and delaying the committees. In weeks ahead, we'll make other announcements about more hearings concerning very important components that were not allowed time today, school construction which is near and dear to all of our hearts, State Board of Education will be available for a report very soon on that and we'll be following up with some hearings and focus on the very needs there. Thank each and every one of you for your attention, hopefully this has been fruitful time. Thank you very much. I would like to recognize Representative Black, at this time. For a Motion."

- Black: "Thank you very much, Mr. Chairman. For purposes of a Motion under Roberts Rules, I move that the Committee of the Whole, rise."
- Chairman Phelps: "Representative Black, moves that the Committee of the Whole rise. All those in favor shall indicate by saying 'aye', opposed saying 'nay'. In the opinion of the Chair, the 'ayes' have it and the committee does rise."
- Speaker Madigan: "Speaker Madigan, in the Chair. The Chair recognizes Representative Phelps. Mr. Phelps."
- Phelps: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. The Committee of the Whole has under consideration Elementary and Secondary Education Funding. It has come to no conclusion thereon."

Speaker Madigan: "The Chair recognizes, Representative Currie."

Currie: "Thank you, Speaker. I move that the House stand in

18th Legislative Day February 19, 1997 recess until 2 p.m. this afternoon."

- Speaker Madigan: "Representative Currie, moves that the House stand in recess until of the hour of 2 p.m. All those in favor shall indicate by saying 'aye', opposed by saying 'nay'. In the opinion of the Chair, the 'ayes' have it and the House stands in recess until the hour of 2 p.m."
- Clerk Rossi: "Attention, Members. The House will delay convening until the hour of 2:15. The House will delay convening until 2:15."
- Speaker Madigan: "The House shall come to order. The Members shall be in their chairs."
- Clerk Rossi: "Committee Reports. Representative Burke, Chairman from the Committee on Executive, to which the following Bills were referred, action taken on February 19, 1997, reported the same back with the following recommendations: 'do pass Short Debate' House Bill 315; Senate Bill 84; 'do pass Standard Debate' House Bill 169 and House Bill Representative Deering, Chairman from the Committee 175. on Transportation of Motor Vehicles, to which the following Bills were referred, action taken on February 18, reported the same back with the following recommendations: 'do pass Short Debate' House Bill 218, House Bill House Bill 475; 'do pass Consent Calendar' House Bill 363. Representative Woolard, Chairman from the Committee on Agriculture and Conservation, to which the following Bills were referred, action taken on February 18, 1997, reported the same back with the following recommendations: 'do pass Short Debate' House Bill 216, 'do pass Consent Calendar' House Bill 316."

Speaker Madigan: "Supplemental Calendar announcement."

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

Speaker Madigan: "On page 3 of the Calendar on the Order of

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Senate Bills Third Reading. There appears Senate Bill 87. Mr. Clerk, read the Bill."

Clerk Rossi: "Senate Bill 87, a Bill for an Act amending the General Obligation Bond Act, Third Reading of this Senate Bill."

Speaker Madigan: "Mr Rutherford."

Rutherford: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. The Bond Authorization Bill was something we're somewhat familiar with, having discussed it in the past. This piece of legislation would increase the General Obligation Bond Authorization by \$659 million, approximately, as well as another \$500 million for the College Savings Bond and a part of this will include \$50 million for LUST Fund, and a number of other projects, that would be a part of the appropriations that we will talk about in a moment. I'll be glad to answer any questions you may have."

Speaker Madigan: "Mr. Hannig."

Hannig: "Thank you, Mr. Speaker, and Members of the House. I rise to support this proposal. This is in many ways not too different from Bills we have debated in the past. But I think there are a couple of important things that have changed in the last few months, in my mind. Certainly the fact that the path that we started on about three years ago to pay our bills and certainly the path that we started on two years ago to not issue further long-term debt, until the bond rating was increased have paid off. I think that that is something everyone in this Chamber can be proud of, and point to as an accomplishment. But to me, more importantly, what has changed is that we see a spirit of cooperation now in this House with the other Chamber and with the Executive Branch. We've had the Governor convene

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meetings where all four caucuses have had an opportunity to express their needs. We've had an opportunity to talk about what it is that we feel is important as respective caucuses. And we've seen the Governor commit to some of the programs and projects that we feel are important in our respective caucuses. So, it seems to me that with the new spirit of cooperation that now exists between House Democrats and House Republicans, Senate Democrats, and House Democrats and all of us, along with the Governor's office, that indeed it is time to move forward on this proposal. And I would urge all Members to vote 'yes'."

Speaker Madigan: "Are there any questions? There being no questions, Mr. Black."

Black: "Yes, thank you very much, Mr. Speaker. Will the Sponsor yield?"

Speaker Madigan: "The Sponsor yields."

Black: "Yes, Representative, in all due respect to the Gentleman on the other side of the aisle, on all these changes, can you tell me has anything changed in this Bond Act from the last time all of our Democrat colleagues voted 'no'?

Anything new in here?"

Rutherford: "No."

Black: "Whoop! You mean there aren't, as I just heard, there aren't in the spirit of cooperation, we haven't added dozens of Democrat projects? You mean this is the same bond Bill that they have voted against, time after time, the last two years?

Rutherford: "Would you repeat the question?"

Black: "You mean there isn't anything in here? All this turn of face, all of this hypocrisy, and this is the same bond Bill that they haven't voted for the last two years."

Rutherford: "Yes."

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Black: "Well, Representative Rutherford, let me just go over a few things that we heard over the last two years. One of our colleagues said, 'We ought to go out and collect the \$6 billion those deadbeats owe to us. Then you wouldn't need a bond Bill.' Did we collect any of the \$6 billion? Did we collect any of that?"

Rutherford: "I'm not positive. But I would hope we have collected some of it."

Black: "One of my colleagues on the other side of the aisle on December the 4th, said, 'This state is not on the right fiscal course. We need fiscal discipline.' Eight weeks later, can you tell me if we changed the fiscal course of the State of Illinois?"

Rutherford: "No Sir."

Black: "Well let me continue. One of my colleagues on the other side of the aisle said, on the 15th of December, that a \$30 million laboratory at Illinois State University that had no equipment so that it couldn't be utilized. I quote, 'I don't want to be overly critical, but Illinois State should have thought of that. It's poor planning on behalf of Illinois State University.' Tell me something, did Illinois State change its entire methodology of planning in the last eight weeks?"

Rutherford: "No Sir."

Black: "Another colleague, less than two months ago said,

'They're trying to squeeze money out of the State of

Illinois, that we don't have.' Where did we get the money,

Representative Rutherford?"

Rutherford: "I'm not sure."

Black: "Yeah, that's what I thought. Thank you very much,

Representative, and thank you, Mr. Speaker and Ladies and

Gentlemen of the House. Now, you vote however you want to

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vote, and you pontificate and don't give me any baloney about Moody's bond rating. If you need cover to vote for this, I'm not going to let you get by with it. Not on this Floor, and if I have to come to everyone of your districts, you take responsibility for what you did. Now, nothing has changed in this Bill. It's the same Bill you voted down eight weeks ago. Do you want me to quote from Moody's? Our bond rating went down two years ago, right after 10 years of Democrat control in this Body came to a close. Isn't it amazing that after two years of Republican control, the bond rating goes up. And you want to sit there and take credit for that. Don't you hide behind that issue. Those seven or eight of you that voted with us, you were right. You were right all along. You knew you were Now stand up and have the courage of convictions. You made a mistake the last two years, on this issue. You're the party of the working man and woman, but you kept working men and women from working on capital projects from Cairo, to Chicago. Shame on you. Shame on you, for trying to hide behind Moody's, that you had absolutely nothing to do with. You know the only thing you've done? You've played petty politics for the last two That's all you've done, and what would have cost years. \$640 million, is now going to cost \$700 million, because you've piddled and fiddled for two years. Now have the guts to admit you were wrong. Sit down, shut up, and vote for it, the same thing you should have done eight weeks ago, six months ago, 12 months ago. I don't want to hear any whining about Moody's. You were wrong, you've played politics with the future of this state. You never met a bond issue you didn't like. In the 12 years you ran this Chamber, you never rejected a single bond issue. But when

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you didn't drive the train, all of a sudden, 'Oh....We're just scared to death about a fiscal crises in the state.' Let's give the guy on the second floor a little credit. Fiscal restraint, we paid our Bills, we got rid of a backlog of a billion dollars in debt, that your Majority Leadership left us with. Now let's get on with the business at hand. For the first time in two years, let's put people to work in Illinois. And let's not demagogue the issue anymore than you have two years ago. I'm glad you have finally saw the light. And I appreciate the fact that seven or eight of you had the guts to stand with us. Now, let's pass it and I don't want to hear any of your whining or so help me, anybody that wants to get up and whine, I'll see you in your district in the next six weeks in a press conference. You're not going to get away with it this time."

Speaker Madigan: "Mr. Granberg."

Granberg "Thank You, will the Gentleman yield?"

Speaker Madigan: "The Sponsor indicates he'll yield."

Granberg: "Thanks, Representative Rutherford. I guess for the Ladies and Gentlemen of the Chamber, I guess we might have heard the kickoff speech for State Senate campaign. I guess we're getting ready to go to that. I'm sure 'Pate' Philip was very pleased. And we're not going to talk about demagoguing. I think we have just heard that, or whining, I think we have heard that, as well. But Mr. Rutherford, has not the status of the Illinois fiscal condition improved, by Moody's bond rating, in the course of the last week?"

Rutherford: "Yes, the bond rate in the State of Illinois has been upgraded."

Granberg: "No, we are not going to demagogue, because we stopped

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borrowing money in this state for the last two years. The bond rating has improved and now in the spirit of bipartisanship, which unfortunately is lost on some Members on that side of the aisle. We are going along with every one of the Governor's recommendations. We did not add one Democratic project. We're going along with every one of the administration's projects in this Bill. That is the spirit of bipartisanship with the new control of the House. That is what we are about. Hopefully, this will set the tone for the Session and we will send our good friend from Vermilion to the Senate in the next few weeks and we wish him well."

Speaker Madigan: "Mr. Lang."

Lang: "Thank you, Mr. Speaker. I cannot help but respond to the comments of the esteemed gentleman from Danville, who sounds a lot like I did two years ago. And I am sure he has used the lozenges I sent him wrapped up in bow, very well. But, Bill, you should relax a little. It's a long two years. Please don't hurt yourself. I rise in favor Senate Bill 87. Mr. Black talked about in hysterical terms about no one should get up over here and talk about the increased bond rating. Let me indicate that the Governor had very little to do with that. In fact, the bond rating of this state went down three times, since Jim Edgar has been Governor of this state. And in fact, the only reason the bond rating is gone up now, is because this General led by Democrats on this side of the aisle, refused to issue new debt until the fiscal condition of this state improved. So it was Democrats, Mr. Black, that caused the bond rating to go back up, not the Gentleman on the second floor. He was responsible for our bond rating going down, several times. Next, I heard a comment

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about the \$6 billion owed to the State of Illinois by its I think you know I'm working on this own taxpayers. Let me tell the Gentleman on the other side of the aisle, to accommodate Comptroller of the State of Illinois, a year ago we passed legislation to help her collect that It wasn't as good as the legislation we proposed, but it was something. And let me remind that Gentleman, that the Comptroller has had no impact at all on collecting the \$6 billion our own taxpayers owe us. So, let's not bring that into the debate. And finally, although there's no change in the capital projects, we're going to pass a supplemental appropriation here today, I think. supplemental appropriation fully funds Meals-On-Wheels. fully funds the request for the Aids Drug Reimbursement Those were issues that the Governor of this State Program. was unwilling to take care of in a full funding manner. fact, rejected our proposal on a stand alone Bill, for fully funding Meals-On-Wheels and fully funding the Aids Drug Reimbursement Program. And when we passed the budget, the Republican side of the aisle refused to do that. now, we're going to have a supplemental appropriation that does that. So to say there is nothing new on the table here, that would cause Democrats to step forward and now be for this, is not correct. The state can now afford, because we won't be paying the high interest rates of lower bond rating, these new bonds, that's first. And second, the supplemental appropriation to follow this one we can all support because it fully funds programs that we have wanted to fund for a very long time. So there is now something in this for everyone. And there is now the opportunity to issue bonds at lower interest rates, which is something our taxpayers demand of us. They demand that

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we not issue new debt, upon debt, upon debt to run the State of Illinois unless we do it at least in a fiscally prudent way. And now that the bond rating has improved we are in a position to do it in a fiscally prudent way, to take care of these projects, and then to proceed to fully fund these programs that all of us believe need to funded, but didn't have the intestinal fortitude to do when we passed the Budget last year. And so, Mr. Speaker and Ladies and Gentlemen, I rise in strong support of this. I rise in strong support of my colleagues on the Democratic side, who fought the battle to get the bond rating increased, so that the interest rate the state would pay when we proceeded to pass this bond Bill would be lowered to protect the taxpayers of our state. It's now a good deal for everyone, and I urge it's passage."

Speaker Madigan: "Mr. Rutherford, to close."

Rutherford: "Thank you Mr. Speaker, Ladies and Gentlemen of the House. Third time is a charm, I would ask for your favorable Roll Call."

Speaker Madigan: "Those in favor of the passage of the Bill, vote 'aye'; those opposed vote 'no'. The Bill requires 71 votes. Have all voted who wish? Have all voted who wish? Have all voted who wish? The Clerk, shall take the record. On this question, there are 106 'ayes'; 4 people voting 'no'. This Bill, having received a Constitutional Majority, is hereby declared passed."

Speaker Madigan: "Senate Bill 88, Mr. Ryder."

Clerk Rossi: "Senate Bill 88, a Bill for an Act making appropriations and reappropriations, Third Reading of this Senate Bill."

Speaker Madigan: "Mr. Ryder."

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

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House. This is a companion Bill to the Bill that we have just discussed and passed with support from both sides of the aisle. This is the Bill that appropriates the funds to spend for the projects that as my colleague, Representative Granberg, indicated they are indeed the same projects and priorities as established by the Governor of this State. I would be happy to answer any individual questions that you might have."

Speaker Madigan: "Mr. Hannig."

Hannig: "Thank you, Mr. Speaker and Members of the House. I rise in support of this proposal as Representative Ryder said, the previous Bill authorized the State of Illinois to borrow. That Bill has just passed this Chamber and is on its way to the Governor. This proposal is to spend that money according to the plan that the Governor had laid out with the Legislature. So, we were in support of the Bond Bill because of the increased bond rating. We were in favor of the Bond Bill because of the cooperation that now exists. And we were in favor of the Bond Bill because of the help and support that the Governor is now giving us on the supplemental appropriation. And having passed that Bill, it is now perfectly in order to pass this Bill. And I certainly urge everyone to vote, 'yes'."

Clerk Rossi: "Mr. Ryder to close."

Ryder: "I thank Representative Hannig for his cooperation of this matter. And I would encourage favorable consideration of this Senate Bill."

Speaker Madigan: "Those in favor of the passage of the Bill vote 'aye'; those opposed vote 'no'. Have all voted who wish? Have all voted who wish? Have all voted who wish? The Clerk, shall take the record. On this question there are 107 'ayes'; 3 people voting 'no', this Bill having received

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the Constitutional Majority, is hereby declared passed.

Senate Bill 143, Mr. Hannig."

Clerk Rossi: "Senate Bill 143. A Bill for an Act making appropriations, supplemental appropriations, and legislative transfers. Third Reading of this Senate Bill."

Speaker Madigan: "Mr. Hannig."

Hannig: "Thank you, Mr. Speaker and Members of the House. For some of our new Members, this is a supplemental appropriation. It's an effort to change the fiscal year 1997, which we are in at this time. There's three basic elements of this proposal. The first part of the Bill is basically those items where we are giving authority to agencies to spend additional federal money, that they have captured or in some cases, there are transferred with in-line items that have no net change. Or in other cases, perhaps there are language changes that had to be made to correct errors in previous legislation. Those parts of the Bill are all bookkeeping in nature, you might say, and I think are certainly not controversial, and never were. There are some increases in operations that at one time the Governor had reservations about, but as part of this whole agreement now supports. This would also provide for an additional \$5 million for Aids patients that would allow the program to have a higher threshold for those individuals who wish to qualify. It would provide for a wider range of drugs to be available for those individuals who need treatment, and it would allow more people to participate in the program. We had favored that on this side of the aisle and we are happy to say that the Governor has agreed to sign this proposal with this language in it. It also has \$400 thousand for Meals-On-Wheels, and based on

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my conversations with the AARP, and with the Department of Aging, that's sufficient money to provide that any senior citizen, who is on a waiting list anywhere in the State of Illinois, will be served. Again, the Governor has agreed to sign this legislation and this item and to include this into his base when he introduces his FY98 proposal next year. We also have \$6.8 million for perinatal hospitals. That's to help hospitals, generally, that treat underweight babies, babies who are born with special needs that generally result from being underweight or premature. So again, that was a concern that many of us had on this side of the aisle and I think it was shared by Members on the other side of the aisle, and the Senate as well. Governor has agreed to, again, fund this proposal this year and to include it in his FY98 Budget, as well. also a portion of this Bill that initially had dealt with some of the programs that are now dealt with by the Bond Bill, and frankly, is irrelevant at this point. The language is still in the Bill but the Governor will let that language expire at the end of this fiscal year. And he will do those projects with the Bond authorization that we just gave him. So, those are the three elements of the Bill. I'll be happy to answer any questions."

Speaker Madigan: "Mr Ryder."

Ryder: "Thank you, Mr. Speaker. I join Representative Hannig, in supporting this piece of legislation. It does contain the entirety of the request by the Governor for supplemental appropriation for the State of Illinois. Much of it is technical, as previous explained. However it does, it does include additional funds, as Representative Hannig aptly described. I appreciate the effort of cooperation to accomplish this piece of legislation. Not just with House

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colleagues, but with Senate colleagues and especially with those folks on behalf of the Governor's office that negotiated in order to achieve this result. I endorse this piece of legislation for your favorable approval. Thank you, Mr. Speaker."

Speaker Madigan: "Mr. Black."

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

Speaker Madigan: "The Sponsor yields."

Black: "Representative Hannig, in the spirit of bipartisanship, I need to ask you a question or two. I'm sorry I don't have a page reference. The pages aren't numbered. But I do have a very legitimate concern in the Department of Public Aid. A \$6.8 million supplemental for perinatal services to Medicaid clients at rural hospitals. My concern is, I know what a rural disproportionate share hospital is, but I don't find a list of them. Do you have a list?"

Hannig: "Representative, we do have a list that has many of the things, around here, somewhat of a guess based on the formula. It may not be to the dollar, but it does give us a pretty good ballpark figure and we would be happy to share that with you."

Black: "I appreciate that and I would like to see it. My concern is, during the last budget discussion, I think many of us felt that we had adequately addressed this issue. And then the department recalculated some payments. And so, in fact, the perinatal fee schedule for Medicaid patients really is extremely inadequate in rural disproportionate share hospitals. Is it your understanding that this will correct some of those inequities that exist in our rural hospitals?"

Hannig: "Yes, Representative, I'm not sure that I can tell you

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that this will be a total solution, but it's certainly a step in the right direction. It gets us a lot closer to where both of us would like to be."

Speaker Madigan: "Okay. Representative Black."

Black: "Well, thank you very much, Representative, Mr. Speaker, and Ladies and Gentlemen of the House. I do appreciate Representative Hannig's cooperation on this. This is a very important issue, cuts across party lines. It may be viewed as reasonable in nature. But those of us who are trying to struggle in rural areas in keeping the few hospitals we have left, this is a very important item in the supplemental. I appreciate the Gentleman being willing to share that list with me. I will certainly come over and see if I can make a copy. I do appreciate the Gentleman from Cook offering me the box of throat lozenges. But I will need another box if this continues and I will be over to see him, as well. Thank you, Mr. Speaker, I stand in support of the supplemental."

Speaker Madigan: "Mr. Hannig to close."

Hannig: "Well, thank you, Mr. Speaker and Members of the House. First, let me thank Representative Ryder, and the Members of his caucus and his staff for participating in the discussions, as well as, the Governor's Office for being cooperative with us in order to make this possible. Let me thank the Speaker and our staff for working very hard in order to make this supplemental an agreed Bill. This is something that we have all worked very hard on. It is something that I think we can all be very proud of and certainly it shows what we can accomplish when we work together. So I urge all Members to vote 'yes'."

Speaker Madigan: "Those in favor of the passage of the Bill vote 'aye'; those opposed vote 'no'. Have all voted who wish?

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Have all voted who wish? Have all voted who wish? The Clerk shall take the record. On this question there are 111 'ayes'; 1 person voting 'no', this bill having received a Constitutional Majority, is hereby declared passed. On page 3 of the Calendar on the Order of House Bills, Third Reading, there appears House Bill 106. Representative Mulligan."

Clerk Rossi: "House Bill 106, a Bill for an Act amending the Criminal Code of 1961, Third Reading of this House Bill."

Speaker Madigan: "Representative Mulligan."

Mulligan: "Thank you, Mr. Speaker, Ladies and Gentlemen. House Bill 106 amends the Criminal Code and creates the offense of female genital mutilation. The violation would be a Class X Felony. It exempts certain surgical procedures performed by physicians that are necessary to the health of the person or for medical purposes in connection with labor or childbirth. It provides that exemptions from violations of the offenses of ritual mutilation and ritualized abuse of a child for circumcision, apply only to male circumcision. This is perhaps a very difficult Bill to address. The notion of female genital mutilation is so abhorrent."

Speaker Madigan: "Representative, let's get some attention please. Would the Members please give their attention to Representative Mulligan? This is a very important Bill. Please give your attention to Representative Mulligan. Proceed, Representative Mulligan."

Mulligan: "The notion of female genital mutilation is so abhorrent to Americans that we tend to deal with it by ignoring it. What is female genital mutilation? It is the medically unnecessary modification of the female genitalia. It can come in three forms, removal of part of the

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clitoris, amputation of the clitoris, and all or some of the inner folds of the skin of the outside genitalia. the most severe form, infibulation, the amputation of the clitoris and the inner and outer folds of the skin surrounding the genitalia. The two sides of the vulva are then stitched together by silk or catgut or held together, in ancient times and now, by thorns. A small opening is left, usually made by the insertion of a stick, for menstrual blood or urine to pass. And the legs of the girl are then bound from hip to ankle for up to 40 days, so that scar tissue will form. Where is it practiced? For the most part, for many years, 4,000 years, in Egypt, the Sudan, the Horn of Africa, the Middle East, and Malaysia. How many women living today have been mutilated? The World Health Organization puts the number at 80 million. would a culture perform such а painful procedure? Religion, superstition, tradition and patriarchal values of the role. Mainly, what happens with women is that value is placed on them as a bride, or for purposes of being married. And in some cultures they feel there is no value if this is not done to a young woman. Why would we choose to address this at this time? Mainly because of the large immigrant population from these countries that is coming to the U.S. In many instances obstetricians and gynecologists in our country are now being asked to perform this, or see this type of surgery having been performed when a woman presents herself for childbirth, or when a woman having had this performed on her, is incapable of conceiving a child or carrying it past 4 1/2 months. There are many health risks. Short term, the risks are shock, death due to blood loss or infection, tetanus. Long term problems include chronic vaginal and uterine infections which can lead to

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sterility. Basically, this is an issue that has come to us because by different estimates Illinois is either the 5th or 6th immigrant state. In committee we had testimony from Dr. Coney, who is the Chair at Southern Illinois University- Springfield, for the OB-GYN Department Medical Her testimony was given on behalf Obstetrician and Gynecological Academy of Illinois. she talked about patients that she had seen here in Springfield and in Illinois, and the requests that obstetricians are now receiving to perform this, which they do not want to perform. In the minor instance, of a minor child, you can be accused of child abuse. We think this is good Bill to pass. Many of the women and men in the General Assembly have signed onto this Bill. And I would ask for your favorable vote and would be ready to stand and answer questions.'

Speaker Madigan: "Representative Schakowsky."

Schakowsky: "Thank you, Mr. Speaker and Ladies and Gentlemen of the House. Female genital mutilation is sometimes referred to as female circumcision. For the men in the House, want to tell you that this Bill has absolutely nothing to do with circumcision. There is nothing parallel here. are talking about the cutting off of female sexual organs. We're talking about pain, about mutilation, about lifelong suffering, about the inability to experience any kind of sexual feelings. We're talking about a lifelong mutilation It is practiced in countries around the world. About 100 million women in the world are subjected to that. There is no reason why any Illinois woman should be subjected to this kind of mutilation. This should be criminal mutilation. We want to make this against the law. This has nothing to do with culture. This has only to do

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with a crime against women that we should not be tolerating here in Illinois. We shouldn't see any 'no' votes on this Bill. This is a good Bill. It will protect lives. It will protect women. I urge, I strongly urge an 'aye' vote."

- Speaker Madigan: "Representative Mulligan to close."
- Mulligan: "Thank you, Mr. Speaker. I would ask for everyone's favorable vote on this Bill."
- Speaker Madigan: "Those in favor of the Bill, vote 'aye'; those opposed vote, 'no'. Have all voted who wish? Have all voted who wish? The Clerk shall take the Record. On this question there are 116 'ayes'; 0 voting 'no'. This Bill having received a Constitutional Majority, is hereby declared passed. On the Order of the Supplemental Calender there appears House Bill 315. Mr. Clerk, read the Bill."
- Clerk Rossi: "House Bill 315, a Bill for an Act concerning Meigs Field Airport. Second Reading of this House Bill. No Committee Amendments, no Floor Amendments, no Motions filed."
- Speaker Madigan: "Third Reading. On the Order of the Supplemental Calender, there appears on the Order of Senate Bills, Second Reading, Senate Bill 84. Mr Clerk, read the Bill."
- Clerk Rossi: "Senate Bill 84, a Bill for an Act in relation to taxes. Second Reading of this Senate Bill. No Committee Amendments, no Floor Amendments, no Motions filed."
- Speaker Madigan: "Third Reading. On the Order of Announcements the Chair recognizes Representative Schoenberg. On the Order of Announcements, Mr. Schoenberg. Mr. Schoenberg."
- Schoenberg: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. I'd like to alert the Members of the Appropriations Committee for General Services and Government Oversight as

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to some changes in the schedule. Today's hearing scheduled for 4 o'clock has been canceled, so there will be no Appropriations/General Services and Government Oversight Committee today. However, next week we will have two hearings. The first will be in Chicago at the Thompson Center on the sixteenth floor, Room 503, on Monday at 10:30 a.m. The second will be on Wednesday here at the State Capitol at the normally scheduled time. Thank you."

Speaker Madigan: "On the Order of Announcements, Mr. Lopez."

- Lopez: "Thank you, Mr. Speaker. I'd like to announce that the Consumer Protection Committee scheduled for tomorrow will be canceled, is canceled and we will meet next week at the appropriate time. So, tomorrow's meeting, Committee Meeting, Consumer Protection is canceled. Thank You."
- Speaker Madigan: "On the Order of announcements the Chair recognizes Mr. Novak."
- Novak: "Thank you, Mr. Speaker. Due to some conflicts in the schedules of the Governor's appointees dealing with electric utility deregulation, the special Committee on Electric Utility Deregulation for today has been canceled. We can promise you, Representative Persico and I, that next week we will have some visiting Legislators dealing with the propositions from other states across this country. Thank you very much. So the meeting today for the special Utility Deregulation is canceled."
- Speaker Madigan: "On the Order of Announcements, the Chair recognizes Mr. Phelps."
- Phelps: "Thank you, Mr. Speaker. I was not at my chair when we voted on House Bill 106 and would like to go on record as 'aye' vote. Thank you."
- Speaker Madigan: "Let the record so reflect that request. On the Order of Announcements, the Chair recognizes Mr. Woolard."

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- Woolard: "Thank you, Mr. Speaker. Could I ditto the previous recommendation there?"
- Speaker Madigan: "Let the record reflect that request.

 Representative Schakowsky."
- Schakowsky: "Thank you, Mr. Speaker. The Conference of Women Legislators will meet tomorrow morning. Those who can at 8:00 a.m. in the Rathskeller. Sue Clark from the Illinois Nurses' Association will be there to brief us on proposed changes to the Illinois Nursing Act."
- Speaker Madigan: "Representative Wyvetter Younge."
- Younge: "Thank you, Mr. Speaker. The House Education Appropriation Committee will meet at 9 o'clock, not 8 o'clock, 9 o'clock in 118 tomorrow. Thank you."
- Speaker Madigan: "Are there any further announcements? Then the Clerk advises the Chair that Senate Bill 84 was placed on the Order of Third Reading in error. That Bill shall be placed back on the Order of Second Reading. Senate Bill 84 shall be placed back on the Order of Second Reading. Is there anything further to come before the Body? There being nothing further, providing Perfunctory time for the Clerk, the Chair recognizes Mr. Rutherford."
- Rutherford: "Thank you, Mr. Speaker. I think I'm the one that filed the State Mandates Note request on Senate Bill 84. I remove that. Withdraw that."
- Speaker Madigan: "There's also a Fiscal Note request filed."
- Rutherford: "It's my understanding from the Sponsor that the Fiscal Note has been filed."
- Speaker Madigan: "I see. Alright, Mr. Clerk, what is the status of the Bill?"
- Clerk Rossi: "Senate Bill 84 is currently on the Order of Second Reading."
- Speaker Madigan: "Mr. Clerk, has one of the requests been

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withdrawn?"

Clerk Rossi: "One of the requests has been withdrawn for a State

Mandates Note. The Fiscal Note is in the process of being

filed."

Speaker Madigan: "For what purpose does Representative Gash seek recognition?"

Gash: "I would like to announce that the House Judiciary Criminal Law Committee will meet at 9:00 a.m. tomorrow, as opposed to 8 o'clock. Thank you."

Speaker Madigan: "Mr. Clerk, on the Order of Senate Bill 84.

What is the status of the Bill?"

Clerk Rossi: "Senate Bill 84 is on the Order of Second Reading.

The Fiscal Note that was requested on the Bill has been filed."

Speaker Madigan: "Are there any other requests for Notes?"

Clerk Rossi: "No Note requests are pending."

Speaker Madigan: "Any Motions?"

Clerk Rossi: "No Motions."

Speaker Madigan: "Third Reading. There being nothing further to come before the Body, providing Perfunctory time for the Clerk, Representative Currie moves that the House does adjourn until 1:00 p.m. tomorrow afternoon. Those in favor say 'aye'. Those opposed say 'no'. The 'ayes' have it. The House does stand adjourned until 1:00 p.m. tomorrow afternoon. Thank you."

Clerk Rossi: "The House Perfunctory Session will come to order. Committee Reports. Representative Dart, Chairman from the Committee on Judiciary I Civil Law, to which the following Bills were referred, action taken on February 19, 1997, reported the same back with the following recommendations: 'do pass Short Debate' House Bill 297, House Bill 306, 'do pass as amended Short Debate' House Bill 8, 'do pass

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Consent Calendar' House Bill 192."

Clerk Bolin: "First Reading and Introduction of House Bills. House Bill 709, offered by Representative Moore. A Bill for an Act in relation to taxes amending named Acts. House Bill 710, offered by Representative Currie. A Bill for an Act to amend the Sex Offender Registration Act by changing Section 10. House Bill 711, offered by Representative Santiago. A Bill for an Act to amend the Juvenile Court Act of 1987 by changing Section 2-3. House Bill 712, offered by Representative Cross. A Bill for an Act to amend the Consumer Fraud and Deceptive Business Practices Act by changing Section 1. House Bill 713, offered by Representative Wojcik. A Bill for an Act to amend the Illinois Pension Code by changing Section 16-140. House Bill 714, offered by Representative Granberg. A Bill to amend the Public Utilities Act by changing an Act Sections 13-101, 13-502, 13-505, and 13-509 and adding Section 13-104. House Bill 715, offered by Representative Erwin. A Bill for an Act concerning professional boxing amending a named Act. House Bill 716, offered by Representative Deering. A Bill for an Act to amend the Illinois Pension Code by changing Section 7-139 and to amend the State Mandates Act. House Bill 717, offered by Representative Granberg. A Bill for an Act concerning Legislators and Legislative Campaigns amending named Acts. House Bill 718, offered by Representative Deering. A Bill for an Act to amend the Illinois Pension Code by changing Section 22-307, and to amend the State Mandates Act. House Bill 719, offered by Representative Winkel. A Bill for an Act to amend the Illinois Pension Code by changing Section 720, offered by Representative 15-112. House Bill Holbrook. A Bill for an Act to amend the School Code by

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changing Section 10-20.12B. House Bill 721, offered by Representative Holbrook. A Bill for an Act to amend the Unified Code of Corrections by changing Sections 3-6-3 and 5-4-1. House Bill 722, offered by Representative Davis. A Bill for an Act in relation to amphetamine Methamphetamine and amending named Acts. House Bill 723, offered by Representative Ronen. A Bill for an Act to amend the Unified Code of Corrections by adding Article 16 to Chapter 3. House Bill 724, offered by Representative Mautino. A Bill for an Act to amend the Prevailing Wage Act by changing Section 2. House Bill 725, offered by Representative Burke. A Bill for an Act to amend the Right Conscience Act by changing and adding certain sections. House Bill 725, offered by Representative Weaver. for an Act in relation to taxes amending named Acts. House Bill 726, offered by Representative Sloan. A Bill for an Act to amend the Environmental Protection Act by changing House Bill 727, offered by Representative Section 39.2. Murphy. A Bill for an Act in relation to public employee pensions and amending named acts. House Bill 728, offered by Representative Saviano. A Bill for an Act to create the Design Professions Practice Act. House Bill 729, offered by Representative Feigenholtz. A Bill for an Act to amend the Election Code by changing Sections 9-3, 9-4, 9-5, 9-11, 9-12, 9-13, 9-14 and 9-21, and by adding 9-6.5. House Bill 930, offered by Representative Ryder. A Bill for an Act to amend the Illinois Housing Development Act by changing Section 2. House Bill 731, offered by Representative Ryder. A Bill for an Act to amend the Illinois Housing Development Act by changing Section 32. House Bill 732, offered by Representative Biggert. A Bill for an Act to amend the Illinois Municipal Code by changing Section

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7-3-6. House Bill 733, offered bу Representative Bugielski. A Bill for an Act to amend the Illinois Banking Act by changing Section 5D. First Reading and Introduction these House Bills. House Bill 734, offered by Representative Bugielski. A Bill for an Act to amend the Illinois Banking Act by changing Section 10. House Bill 735, offered by Representative Schakowsky. A Bill for an Act regarding the delivery of human services. House Bill 736, offered by Representative Leitch. A Bill for an Act to amend the Private Detective, Private Alarm, Private Security, and Locksmith Act of 1993 by changing Section 77. House Bill 737, offered by Representative Meyer. A Bill for an Act to amend the Retailers Occupation Tax Act by changing Section 11. House Bill 738, A Bill for an Act to amend the Representative Silva. Illinois Vehicle Code by changing Section 12-603.1. Bill 739, offered by Representative Brady. A Bill for an Act to amend the Counties Code by changing Section 5-12001. House Bill 740, offered by Representative Mautino. A Bill for an Act to amend the School Code by changing Section 10-19. House Bill 741, offered by Representative Mautino. for an Act to amend the School Code by changing Section 3-1. House Bill 742, offered by Representative Mautino. A Bill for an Act to amend the School Code by changing Section 2-3.25G. House Bill 743, offered by Representative Noland. A Bill for an Act to amend certain Acts in relation to funerals and burials. House Bill 744, offered by Representative McAuliffe. A Bill for an Act to permit retired peace officers to carry concealed firearms amending named Acts. House Bill 745, offered by Representative Deering. A Bill for an Act to amend the Illinois Vehicle Code by changing Section 15-111. House

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Bill 746, offered by Representative Deering. A Bill for an Act to amend the Illinois Vehicle Code by changing Sections 2-119, 3-412, and 3-806. House Bill 747, offered by Representative Turner. A Bill for an Act to amend the Code of Criminal Procedure of 1963 by adding Section 115-20. House Bill 748, offered by Representative Wait. A Bill for an Act to amend the Illinois Vehicle Code by changing Section 2-121. House Bill 749, offered by Representative Burke. A Bill for an Act to amend the School Code by changing Section 34-1.1. House Bill 750, offered by Representative Moore. A Bill for an Act to amend the School Code by changing Section 34-2.2. House Bill 751, offered by Representative Dart. A Bill for an Act to amend the School Code by changing Section 34-1. House Bill 752, offered by Representative Bugielski. A Bill for an Act concerning Income Taxes, amending named Acts. House Bill 753, offered by Representative Weaver. A Bill for an Act in relation to taxes amending named Acts. First Reading and Introduction of House Resolutions. House Resolution offered by Representative Lopez. House Resolution #29, offered by Representative McKeon. Committee Reports. Representative Pugh, Chairman from the Committee on Human Services to which the following Bills and Resolutions were referred, action taken on 2/19/97, reported the same back with the following recommendations: 'do pass Short Debate' House Bill 131 and House Bill 204, 'do pass Standard Debate' House Bill 168. First Reading and Introductions of Joint Resolution for Constitutional Amendments. House Joint Resolution for Constitutional Amendment #5, offered by Representative Lang.

HOUSE JOINT RESOLUTION

CONSTITUTIONAL AMENDMENT

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WHEREAS, The Ninety-second Congress of the United States of America, at its Second Session, in both houses, by a constitutional majority of two-thirds, adopted the following proposition to amend the Constitution of the United States of America:

"JOINT RESOLUTION

RESOLVED BY THE HOUSE OF REPRESENTATIVES AND SENATE OF THE UNITED STATES OF AMERICA IN CONGRESS ASSEMBLED (TWO-THIRDS OF EACH HOUSE CONCURRING THEREIN), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as a part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"ARTICLE	

Section 1. Equality of rights under law shall not be denied or abridged by the United States or any State on account of sex.

Section 2. The Congress shall have the power to enforce by appropriate legislation the provisions of this article.

Section 3. This Amendment shall take effect two years after the date of ratification.; and

WHEREAS, A Joint Resolution is a resolution adopted by both houses of the General Assembly and does not require the signature of the Governor; a Joint Resolution is sufficient for Illinois' ratification of an amendment to the United States Constitution; and

WHEREAS, The United States Congress has recently adopted the 27th Amendment to the Constitution of the United States, the so-called Madison Amendment, relating to Compensation of Members of Congress; this amendment was proposed 203 years earlier by our First Congress and only recently ratified by three-fourths of the

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States; the United States Archivist certified the 27th Amendment on May 18, 1992; and

WHEREAS, The founders of our nation, James Madison included, did not favor further restrictions to Article V of the Constitution of the United States, the amending procedure; the United States Constitution is harder to amend than any other constitution in history; and

WHEREAS, The restricting time limit for the Equal Rights
Amendment ratification is in the resolving clause and is not a
part of the amendment proposed by Congress and already ratified by
35 states; and

WHEREAS, Having passed a time extension for the Equal Rights Amendment on October 20, 1978, Congress has demonstrated that a time limit in a resolving clause can be disregarded if it is not a part of the proposed amendment; and

WHEREAS, The United States Supreme Court in Coleman v. Miller, 307 U.S. 433, at 456 (1939), recognized that Congress is in a unique position to judge the tenor of the nation, to be aware of the political, social, and economic factors affecting the nation, and to be aware of the importance to the nation of the proposed amendment; and

WHEREAS, If an amendment to the Constitution of the United States has been proposed by two-thirds of both houses of Congress and ratified by three-fourths of the state legislatures, it is for Congress under the principles of Coleman v. Miller to determine the validity of the state ratifications occurring after a time limit in the resolving clause, but not in the amendment itself; and

WHEREAS, Constitutional equality for women and men continues

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to be timely in the United States and worldwide, and a number of other nations have achieved constitutional equality for their women and men; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETIETH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that the proposed amendment to the Constitution of the United States of America set forth in this resolution is ratified; and be it further

RESOLVED, That a certified copy of this resolution be forwarded to the Archivist of the United States, the Administrator of General Services of the United States, the President pro tempore of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and each member of the Illinois congressional delegation.

Clerk Bolin: "First Reading and Introduction of House Bills. House Bill 754, offered by Representative Hannig. for an Act to amend the School Code by changing Section 2-3.118. House Bill 755, offered by Representative Hannig. A Bill for an Act to amend the Illinois Pension Code. House Bill 756, offered by Representative Hannig. A Bill for an Act to amend the Illinois Pension Code by adding Sections 7-145.1 and 7-145.2, and to amend the State Mandates Act. House Bill 757, offered by Representative Hannig. A Bill for an Act to amend the Environmental Protection Act by changing Sections 3.32 and 57.8, and adding Section 57.18. First Reading and Introduction of Having no further business the House Bills. Perfunctory Session will stand adjourned. The House will reconvene on February 20 at 1:00 p.m."