

STATE OF ILLINOIS  
92ND GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES  
TRANSCRIPTION DEBATE

127th Legislative Day

May 2, 2002

Speaker Madigan: "The House shall come to order. The Members shall be in their chairs. We shall be led in prayer today by the Reverend Dwanye Ambrose of the Caseyville United Methodist Church in Caseyville, Illinois. Reverend Ambrose is the guest of Representative Jay Hoffman. The guests in the gallery may wish to rise and join us for the invocation and the Pledge of Allegiance."

Reverend Ambrose: "Henry Nouwen, a Roman Catholic priest and writer, once went to Mother Teresa and poured out his problems. He wasn't appreciated, he was misunderstood, higher ups weren't helping him in his work. 'You wouldn't be having these problems if you prayed more', she said, and that's all she said. At first, Nouwen felt resentful. He had expected encouragement, sympathy, solidarity, instead he got a blunt statement that he knew was true. He really wouldn't be having these problems if he prayed more. So, he went home and prayed and the problems became manageable and life did not end. So, let's pray. Gracious God, all that we have and are is a result of Your amazing generosity. You truly are our refuge and strength and ever present help in trouble. Teach us to see every question of policy in the light of our faith. Grant us the grace to ask what You would have us do, that we may be safe from all false choices and that in Your light we may see light and in Your straight path may not stumble. Fill us with that compassion for others' troubles which comes from forgetfulness of our own. Fill us with the humility of those who know their own unworthiness and fill us with the glad hope of the children of eternity. Give us Your light and Your truth, let them guide us. And to You, the beginning and the end, Lord of the living, refuge of the dying, be thanks and praise forever. Amen."

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Speaker Madigan: "We shall be led in the Pledge of Allegiance by Representative Hoffman."

Hoffman - et al: "I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all."

Speaker Madigan: "Roll Call for Attendance. Representative Currie."

Currie: "Thank you, Speaker. Please let the record reflect these excused absences: Representative Monique Davis, Representative Murphy, and Representative O'Brien."

Speaker Madigan: "Mr. Bost."

Bost: "Thank you, Mr. Speaker. Let the record reflect that all Republicans are present."

Speaker Madigan: "The Clerk shall take the record. There being 112 people responding to the Attendance Roll Call, there is a quorum present. Mr. Lang. Mr. Lang."

Lang: "Thank you, Mr. Speaker. By way of an announcement, the House Mental Health & Patient Abuse Committee hearing scheduled for Monday, May 6th at 1:30, will be canceled. Thank you."

Speaker Madigan: "Mr. Clerk."

Clerk Bolin: "Introduction of Resolutions. House Resolution 857, offered by Representative Franks; House Resolution 865, offered by Representative Feigenholtz; and House Joint Resolution 75, offered by Representative Julie Curry. These Resolutions are referred to the House Rules Committee."

Speaker Madigan: "Representative Bellock. Representative Bellock on House Resolution 861."

Clerk Bolin: "House Resolution 861."

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WHEREAS, The members of the Illinois House of Representatives wish to recognize notable achievements in high school sports; and

WHEREAS, On Saturday, November 24, 2001, the Downers Grove South High Mustangs won their first State Class 8A Boys Football Championship in Champaign; and

WHEREAS, The Mustangs defeated number one ranked Naperville Central by a score of 34 to 31 before a crowd of 10,509; and

WHEREAS, The game-winning seven-yard touchdown pass was made with 38 seconds remaining on the clock; and

WHEREAS, Naperville Central's last possession resulted in an interception by the Mustangs with 23 seconds left; and

WHEREAS, On the road to Champaign, the Mustangs defeated Belleville East High School by a score of 48 to 14, Fremd High School by a score of 48 to 27, Sandburg High School by a score of 31 to 14, and Maine South High School by a score of 35 to 34 in overtime; and

WHEREAS, After starting the season with a record of one win and two losses, the Mustangs won 11 games in a row including an overtime defeat of 2000 State Champion Maine South; and

WHEREAS, The Chicago Tribune proclaimed, "The Underdogs are Top Dogs!"; and be it further reserved...

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate the Downers Grove South High School Football Team on winning their first State Class 8A Boys Football Championship; and be it further

RESOLVED, That a suitable copy of this resolution be presented to the head coach and assistant coaches of the Mustangs, and to each member of the Mustang team as an expression of our esteem."

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Speaker Madigan: "Representative Bellock."

Bellock: "Thank you, Mr. Speaker, and Members of the House. I'd like to welcome here today all the young men standing in the balcony from Downers Grove South High School who won the State Championship. If they'd stand so we could give them some applause. They won 11 wins in a row and defeated Naperville Central. I just wanted to mention the head coach's name, John Belskis and assistant coaches, David Burton, Brett Chilar, Terry Kent, Paul Maggiore, Terry McCombs, Jack McInerney, Tony Nevrlly, and Mark Wiggins. Thank you very much."

Speaker Madigan: "On page 4 of the Calendar, on the Order of Senate Bills-Second Reading there appears Senate Bill 1545, Mr. McCarthy. Mr. McCarthy, do you wish to move the Bill? Clerk advises that the Amendment is still assigned to the Rules Committee. So, the Bill shall be held on Second Reading. Senate Bill 1657, Mr. Hoffman. Senate Bill 1666, Representative Biggins. Mr. Biggins. Mr. Biggins. Senate Bill 1697, Mr. Beaubien, do you wish to move the Bill? Gentleman indicates he does not wish to move the Bill. Senate Bill 1907, Mr. Franks. Mr. Clerk, what is the status of the Bill?"

Clerk Bolin: "Senate Bill 1907, a Bill for an Act in relation to vehicles. Second Reading of this Senate Bill. Amendment #1 was adopted in committee. Floor Amendment #2, offered by Representative Franks, has been approved for consideration."

Speaker Madigan: "Mr. Franks, on the Amendment."

Franks: "Thank you, Mr. Speaker, Members of the Assembly. This is an agreed Amendment by both the Illinois Environmental Protection Agency and Enviro-Test, the company that tests vehicle emissions. And what this Bill does, it will

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establish a new grievance claim process for individuals who had their vehicles damaged by the state's contractor Enviro-Test. I'd be glad to answer any questions."

Speaker Madigan: "The Gentleman moves for the adoption of the Amendment. Mr. Black."

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

Speaker Madigan: "Sponsor yields."

Black: "Representative, is the... Floor Amendment #2 adds to the Bill, correctly... is that correct?"

Franks: "The... yeah, Floor Amendment 2 becomes the Bill."

Black: "It becomes the Bill?"

Franks: "Yeah, it was a shell Bill when it came over, Representative."

Black: "A shell or shall?"

Franks: "Shell."

Black: "Oh, okay. And this has to do with the methodology in the nonattainment areas where the company that inspects vehicles, as I recall, there had been some problems with the treadmill test..."

Franks: "Correct."

Black: "... and your Amend... and your Bill then does what? Makes it easier to settle claims against the contractor?"

Franks: "Yeah. Yeah, what we do is we set up a grievance procedure, because there really hasn't been anything in the past. And this way, it would allow the consumer to complain to Enviro-Test and Enviro-Test has a specific amount of days to respond. If the consumer is not happy with the response they can bring in the EPA to help mediate. If they're still not happy, then they can ask for binding arbitration or if they don't want to do arbitration they can then go to the Circuit Court. But this way there

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is parameters and hopefully, speed up the process."

Black: "Is there some reason why we have... do we have to do the treadmill test now, rather than the old system of just the probe in the tailpipe?"

Franks: "The probe in the tailpipe, I think is coming online soon."

Black: "Okay. All right."

Franks: "So, if that... if that happens, frankly, this won't be that necessary..."

Black: "Okay."

Franks: "... because this Bill is only going to come from August forward."

Black: "Representative, I'm not in a nonattainment area so I'm not that familiar with the situation, but I've had many of my colleagues tell me that it is a problem. But has Enviro-Test given you any indication that should it become easier to adjudicate claims against them, will they... will they or can they raise the fee charged to a consumer to test their vehicle?"

Franks: "That never came up, Representative, and Enviro-Test agreed to this Bill. They were in agreement."

Black: "Okay. I was just curious as to whether they have a contract that says what they can charge or whether this Bill becomes law and they suddenly raise the fee by \$20...?"

Franks: "No, I don't believe they can raise the fee at all."

Black: "Okay. Thank you very much. Thank you, Mr. Speaker."

Franks: "Thank you."

Speaker Madigan: "The Gentleman moves for the adoption of the Amendment. There being no further discussion, the question is, 'Shall the Amendment be adopted?' Those in favor say 'aye'; those opposed say 'no'. The 'ayes' have it. The

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Amendment is adopted. Are there any further Amendments?"

Clerk Bolin: "No further Amendments."

Speaker Madigan: "Third Reading. Representative Bassi, Senate Bill 1930. Is Representative Bassi in the chamber? Did you wish to move the Bill? I've been advised by the Clerk that we're not prepared to move the Bill. Thank you. Mr. Hultgren, 1949. Okay. Gentleman indicates he does not wish to call the Bill. Mr. Reitz, Senate Bill 1982. 1982. Mr. Clerk, is there a request for a fiscal note on this Bill? Has the note been filed? Clerk indicates the note has not been filed. Senate Bill 2081, Mr. Novak. Mr. Clerk, what is the status of the Bill?"

Clerk Bolin: "Senate Bill 2081, a Bill for an Act concerning public utilities. Second Reading of this Senate Bill. Amendments 1 and 2 have been adopted in committee. Floor Amendment #5, offered by Representative Novak, has been approved for consideration."

Speaker Madigan: "Mr. Novak, on Amendment #5."

Novak: "Thank you, Mr. Speaker, Ladies, and Gentlemen of the House. After many revisions and discussions with the Commerce Commission, the stakeholders, this Amendment significantly changes the underlying Bill. The underlying Bill changes the... let me just explain that first, once again. The underlying Bill changes the way the index is calculated by using a treasur... a long-term US treasury bond average rate on 25-year bonds instead of 30-year bonds, as published by the Federal Reserve. This is required... this change is required, it's used to... used to be... it's used for calculations of statement of financial accounting standards so that earnings cap... an earnings test calculations can be made. So, this is a... an inconsequential provision in this Act. The other... the

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remaining parts, the most significant part, I believe, to the Body here today, is that we're extending the mandatory transition period for two years, from December 31st, 2004 to December 31st, 2006. Extending the transition period for two years freezes the electric rates for all classes of customers until the end of 2006. Currently, under the deregulation law that was passed in 1997 that went into effect in 1998, all customers' bundled rates, electric rates, were frozen in Illinois through the end of 2004. Now, excluding situations like electrical... municipal electric agencies, such as the City of Springfield, electric co-ops that dominate a lot of downstate area in Illinois, they were excluded from that. But if you live in the Commonwealth Edison service territory which currently serves about 3.4 million people, if you live in the Illinois Power service territory, the Central Illinois Light service territory, the Ameren-UE... or Ameren-CIPS service territory, that makes up the bulk of the population in the State of... and in addition Midwest... Mid-American Energy in the Rock Island part of the State of Illinois. That makes up the biggest bulk of population in the state. When we froze the rates under the original Act in 1998 consumers in Com-Ed service territory saved \$2 billion. You remember that rates were reduced in August of 1998 and then they were reduced again in October of 1990... 2001 for Com-Ed, saving customers billions of dollars. The rate reduction also... a 20% rate reduction also applied to Illinois Power service territory, so that was another substantial savings somewhere between 600 and \$700 million. So, we have been able to provide substantial rate relief, substantial rate freeze protections as well as increased reliability of electric service and at the same time trying



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to stimulate a competitive wholesale market in generation of electricity in the State of Illinois. Illinois is one of the 20... about 25 or 28 states that have deregulated the electric industry and as you know, reading the media over the past couple years about the situations that happened in California, some states are sort of pulling back from progressing on this. Our transition period has taken a very prudent and cautious approach to looking at the 'brave new world' of electric competition in the retail markets for our industrial and commercial constituents, as well as our residential constituents. So, this is a very, very important thing that we're attempting to do today. So, this extends the freeze for two more years. This is something we can take to our constituents in light of the serious budget problems that the State of Illinois is facing this year. We all know that we have to come up with a resolution to the budget problems before we leave Session this spring. But this is something I think we can be proud of to tell our constituents that we're again freezing their electric rates in most parts of Illinois through the year 2006. People are relatively satisfied with reasonably priced electric rates right now and as far... and just as important, as maintaining reliability of electric service. That is just as important. The Bill also provides for an exemption for the extension of the rate freeze for the CILCO area. However, for those of you that represent the Ameren-UE and Ameren-CIPS area you know that recently there was an announcement made that Ameren-CIPS... or Ameren-UE will be purchasing CILCO. That regulatory process will take about a year to conclude. When that regulatory process concludes and the transaction is consummated, Ameren-UE intends to apply the rate freeze to the CILCO

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service territory, since they will be an affiliate of Ameren-UE. So, the rate freeze will apply once that is consummated. There are a number of other technical provisions that we put into the Bill making sure that utilities cannot come back and ask for reimposition of the fuel adjustment clause, that was eliminated in 1999, that saved hundreds of millions of dollars for our consumers in the first couple years of the Deregulation Act. So, against that background, and one other thing I'd like to mention, there's a clarification in the Bill about organized labor. Ya know, in the original law if a utility was sold to another entity, very, very strong organized labor protections for our working men and women that operate these power plants, that climb the utility poles in the dead of winter to make sure your power comes back on due to some act of nature, there's significant labor protections that are maintained in the provisions of this Bill. Without the help of the AFL-CIO and the International Brotherhood of Electrical Workers this state regulation proposition would've never become law. So, we wanna make sure that our well-trained union members make sure they have security and benefits during any type of a transition period where one entity buys a utility from another. And that's about a capsule view of what this Bill does. Again, the most salient part of the Bill is extending the transition period that includes the mandatory rate freezes for two more years through December 31st of 2006. Be more than happy to answer any questions."

Speaker Madigan: "The Gentleman has provided a short, concise explanation of the Amendments. And the Chair recognizes Mr. Black, who will be short and concise, we always know that from Mr. Black."

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Black: "Thank you very much, Mr. Speaker. As always, your insight is right on target. Will the Sponsor yield?"

Speaker Madigan: "Sponsor reluctantly yields."

Black: "Representative, I wanna concentrate on three areas. Number one, I certainly don't oppose the freeze in rates. However, it seems to me that the rates charged in Illinois by our utility companies are higher than the national average. If we're going to freeze the rates, why... why freeze them at a rate that I've been told is a higher rate than the Midwest average? Why don't we freeze the rate at a lower cost to reflect the fact that there have been studies made to indicate that our electric rates in Illinois are higher than most of our neighbors?"

Novak: "Mr. Black, when the original Bill was passed that was one of the major complaints from our citizen groups, is that the rates were some of the highest in the Midwest. At the time the original law was passed, Commonwealth Edison's rates were around 10.9¢ per kilowatt hour, Illinois Power's were in the high 9s. The 20% rate decreases substantially reduced those rates. Yes, we have enjoyed relatively modest rates. Still, by a few mils we are higher than the Midwest average. Now, should we lower... attempt to lower the rates, I don't think is the right thing to do. We've already had the 20% rate reduction. This is gonna freeze these rates for two more years to allow stability in the marketplace, to allow the utilities to lookout in the forward marketplace to lock in contracts so we can maintain the stabilization of power rates."

Black: "All right."

Novak: "So, we might be, Mr. Black, we might be 1¢ or a mil and a half, if we wanna, you know, split hairs here, higher than the Midwest average. The thing is this, is that we have

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significantly reduced some of the highest utility rates in the Midwest from what they were. The Com-Ed's utility rates are frozen at 1995 levels. That's seven years ago. Illinois Power's rates, I think, are frozen at 1997 levels, I may be mistaken, or 1996. I'm using those two utilities as an example 'cause they make up a significant portion of the population of this state."

Black: "Mr. Speaker. He's busy. Representative, I agree with the Bill. I intend to vote for the Bill, but I would like something on the record. This freeze in rate until the end of 2006, while I think most of our consumers would certainly want us to vote for it, I wanna make my comments on the record. This does not hurt the utility companies. I don't want anybody to get the impression to think that we are really ratcheting down any profit that the utility companies may make..."

Novak: "Mr. Black, I'll be the first one to stand in line with you and agree."

Black: "... All right. I... just so we understand that this certainly does not put our electric generating utilities in a position where we're gonna have a tag day for them..."

Novak: "No, they don't need tag days."

Black: "... yeah, they'll make substantial money. Now, in light of that, and you have rural areas in your district, Phil. One of the concerns we had in the original Bill, this does not impact... excuse me, impact any electric cooperative in the State of Illinois. They are not tied to this agreement. Correct?"

Novak: "Yes, Mr. Black. When we negotiated the original Bill they asked to be excluded and they said if we... and we said fine, because they are member co-ops, owned and operated by the members. And we said that's fine, we'll do

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that if you want to play into the market when the market opens up you're free to do that, but the condition is, the caveat was you have to open your service territory to competition, as well."

Black: "All right. But for clarification, electric co-ops were never regulated even under the old rules of the Illinois Commerce Commission, they were never included in the regulatory structure at all, were they?"

Novak: "You're correct and if you look at... with all due respect to some of the co-ops, if you compare, Mr. Black, I believe you live in Illinois Power service territory. Is that correct?"

Black: "Right, most of it, right."

Novak: "If you compare your utility bill, what you pay now, and just yesterday, May 1st, was the remaining 5% reduction in the Illinois Power service territory. I'm sure you've communicated that to your constituents. But if you compare it to some of the co-ops and what they pay, they're up in the 10, 11, 12, 13¢ a per kilowatt hour."

Black: "Well, your point is well-taken and that certainly creates some problems for those of us who represent a rural area..."

Novak: "I have 'em as well."

Black: "... but I want those customers to understand that co-ops have never been regulated and I think that was part of the Federal Rural Electrification Act years and years ago. But that's... ya know, we'll have to deal with that later. I have two other questions. Under the Fuel Adjustment Clause Act, if the price of the raw material to generate electricity, say the price of coal was to take a substantial increase or the price of natural gas was to take a substantial increase to generate electricity,

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they... under your Amendment, they can't... the utilities cannot pass that fuel cost on to us. Correct?"

Novak: "Absolutely. But let me just clarify that, Mr. Black. Commonwealth Edison and Illinois Power eliminated their fuel adjustment clause in the heat of the summer in 1999 and we saved a lot of money. I believe CILCO still has the fuel adjustment clause and I can't speak for the other utilities. But what we did, by changing the date of the transition period, we also made sure the date change coincided with the other dates where the utilities can come back and ask for the reimposition of the fuel adjustment clause. So, you're right, Mr. Black."

Black: "Okay. And last, but not least, so that there's no misunderstanding, a year ago we came out of a winter season with some of the highest natural gas prices in history. This Bill does not impact that. The natural gas market was deregulated by the Federal Government some years ago."

Novak: "Correct."

Black: "And so we... as much as we might like to put them under the same rate freeze, we cannot do that. Correct?"

Novak: "Yes, Sir."

Black: "All right. Thank you very much, Representative. I appreciate your concise and brief answers to my questions. Mr. Speaker, to the Bill. I have no doubt that this Bill will receive overwhelming support, but I would be remiss in representing the people in my rural district if I didn't bring one or two points to the record. When the late and lamented Judge Green broke up the 'Ma Bell' telephone system back in 1984 many of... excuse me, many of us were promised highly competitive telephone rates. Oh, my goodness, the sky was the limit. And those of you who live

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in high-growth, high-density population areas or have businesses, I think telephone deregulation has helped you. All I can tell you is that many of us in rural areas have not seen that benefit of telephone deregulation. The service isn't what it was. The price isn't certainly what it was, and the options available to us are not as many as may be available to someone in a larger metropolitan area. And that's my only fear and it was from day one about the electricity industry deregulation. I think there will be people in high-growth, high-density population who eventually will see local service competition and that will be good for them. My fear is that again in low-population rural areas we may not see that competition and until we do I'm not ready to let this cap ever expire until I see legitimate competition for residential service users throughout the State of Illinois. Because if we're not careful some residential users will see tremendous price increases with no competition, nowhere else to turn, where others in the more populous areas may have a variety of options available to them. I appreciate all the work you've done on it, Phil. Thank you very much."

Speaker Madigan: "Mr. Mautino."

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

Speaker Madigan: "Sponsor yields."

Mautino: "Representative Novak, I appreciate the work that you've put into this. I had a couple of questions. With the extension of this, what impact is there on the... the transition costs or transition fees if someone wants to change from a large power user to another investor-owned? And I'll tell you as I'm currently in the process of trying to reopen a steel mill in our area and the last question that we're working on now is power. And what does that

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structure do as power costs decrease?"

Novak: "Mr... To answer your question, Mr. Mautino, I think it's twofold. Number one, the customer transition charges that are charged when a person goes ahead and shops for power does not change... the formula doesn't change. Regarding the situation with your company back home, I assume they're in the Illinois Power territory?"

Mautino: "Within my district I have Illinois Power, Commonwealth Ed, two co-ops, four municipals, and a hydro-electric. So, I have a little bit everything, but yes, IP territory."

Novak: "Right. Right. Right. Well, it all depends I guess is where it's located, but there's certain options for them to do. They could... it's an industrial customer. There's been some competition in the Com-Ed service territory, but lately the price... the formula that calculates the market price, the wholesale market price, Frank, has been relatively low. And when that happens the formula kicks in and the customer transition charge increases. So, it becomes..."

Mautino: "So, it could come out where it's actually more expensive to leave your supplier...."

Novak: "Well... or... it might... there might... in some cases, yes or it might... it presents a disincentive for someone to go on the open market and shop, because the price is so low. Okay? And then the customer service charge rises, so it creates a disincentive and there's no reason for someone to leave the market. However, there are other mechanisms out there called the PPO, which is the purchase power option that they can look into. They can look into self-generation, cogeneration, there are a number of options out there. But we're gonna have a working group this summer to address problems that you just brought up.



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The provider of last resort that Speaker Madigan has referred to and the lack of competition in the retail markets for our residential customers. So, we intend to address some these issues this summer."

Mautino: "I would hope that you would and I understand the reasoning behind extending these so that the market can develop. I wish it would develop a little more quickly so that we could get some actual competition within the manufacturing phase and that's lacking now."

Novak: "Well, it is lacking, but that is the only segment of our society that has seen any real competition. If you talk to the IMA or the State Chamber of Commerce or the large industrial electric users a number of their members have saved substantial amounts of money since they have been able to shop over two years ago, back in October of 1999. What's happened however, is this forward... is these price indexes that set the wholesale power have become so low that kicks up the CTC charge, Mr. Mautino, and then that creates the disincentive. We gotta look at that formula, we gotta revisit that formula."

Mautino: "Thank you and I look..."

Novak: "You're welcome."

Mautino: "... forward to helping you with that. We've seen some of the problems it creates. Thank you."

Speaker Madigan: "Mr. Parke."

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

Speaker Madigan: "The Sponsor yields."

Parke: "Quick question, Representative. Is the earnings cap back in this legislation?"

Novak: "Yes."

Parke: "Okay, as it was before?"

Novak: "Right. Now, there... there... there is an exemption for

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their earnings cap for a couple small utilities. One is Mid-American Energy, which represent... which is the... in Mr. Brunsvold's service territory and I believe might be in the northwes... might be Mr. Wait's area. The other one is Mount Carmel Electric, which serves about 5,000 customers in southeastern Illinois in Wabash County and I believe that's Mr. Fowler's or Mr. Forby's district. Other than that the rates earnings test applies to everyone else."

Parke: "You mentioned that you were gonna work on this over the summer, when you say that does that mean that you're gonna have some public hearings, are you gonna have some meetings with..."

Novak: "We're gonna have some public hearings..."

Parke: "... the Energy & Environment Committee?"

Novak: "... Mr. Parke, we're gonna have some public hearings and we're gonna have some workshops. We're gonna roll up our sleeves and deal with some of these issues. The big one, as Speaker Madigan indicated, is the provider of last resort, that's a major issue."

Parke: "So, will it be under the auspices of the Energy & Environment Committee?"

Novak: "Either that or the Deregulation Committee or both."

Parke: "Well, I certainly would like to be made aware of those meetings."

Novak: "Absolutely. Absolutely and we'll certainly invite the Senate to participate, as well."

Parke: "I think that's a wise idea. Thank you very much."

Speaker Madigan: "Mr. Novak to close."

Novak: "Thank you, Mr. Speaker. I think everything was pretty well explained to the Bill. It's a... the Bill provides on the rate freeze the most important thing, provides more stability to our consumers, gives us a little bit more time

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to examine ways how we can tweak the law. We always said this thing would be a work in progress. It's a very, very complex statute. So, I certainly ask for your support for the Bill. And it's something nice that we can bring home to our consumers to allow them to enjoy a rate freeze for another two more years into.. through the year 2006. And I ask for you... you for your support. Thank you."

Speaker Madigan: "The Gentleman moves for the adoption of the Amendment. Those in favor say 'aye'; those opposed say 'no'. The 'ayes' have it. The Amendment is adopted. Are there any further Amendments?"

Clerk Bolin: "No further Amendments."

Speaker Madigan: "Third Reading. Mr. Clerk, read the Bill for a third time."

Clerk Bolin: "Senate Bill 2081, a Bill for an Act concerning public utilities. Third Reading of this Senate Bill."

Speaker Madigan: "Mr. Novak."

Novak: "Thank you, Mr. Speaker. I believe the Amendment was explained and debated adequately and simply ask my colleagues for a proconsumer vote. Thank you."

Speaker Madigan: "The Gentleman moves for the passage of the Bill. There being no discussion, the question is, 'Shall this Bill pass?' Those in favor signify by voting 'yes'; those opposed by voting 'no'. Have all voted who wish? Have all voted who wish? The Clerk shall take the record. On this question, there are 112 people voting 'yes', 2 people voting 'no'. This Bill, having received a Constitutional Majority, is hereby declared passed. Senate Bill 1982, Mr. Reitz. Mr. Clerk, what is the status of the Bill?"

Clerk Bolin: "Senate Bill 1982, a Bill for an Act concerning prisons. Second Reading of this Senate Bill. Amendment #1

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was adopted in committee. Floor Amendment #3, offered by Representative Reitz, has been approved for consideration."

Speaker Madigan: "Mr. Reitz."

Reitz: "Thank you, Mr. Speaker. Floor Amendment #3 to Senate Bill 1982 simply adds changes from 10% to 40%. It addresses the concerns that the Department of Corrections had in... in committee and it also allows them then to use any additional profits for dietary staff."

Speaker Madigan: "The Gentleman moves for the adoption of the Amendment. The Chair recognizes Mr. Cross. Mr. Cross withdraws his request. The question is, 'Shall the Amendment be adopted?' Those in favor say 'yes'; those opposed say 'no'. The ayes have it. The Amendment is adopted. Are there any further Amendments?"

Clerk Bolin: "No further Amendments."

Speaker Madigan: "Third Reading. Mr. Morrow, Senate Bill 2235. Mr. Clerk, what is the status of the Bill?"

Clerk Bolin: "Senate Bill 2235, a Bill for an Act concerning energy. Second Reading of this Senate Bill. Amendments 1 and 2 were adopted in committee. Floor Amendment #3, offered by Representative Morrow, has been approved for consideration."

Speaker Madigan: "Mr. Morrow."

Morrow: "Yes, thank you, Mr. Speaker. Amendment #... Floor Amendment #3 to 2225 (sic-2235) basically just puts in the sunset date of December 31st, 2007. I'll be glad to answer any questions."

Speaker Madigan: "Gentleman moves for the adoption of the Amendment. Those in favor say 'aye'; those opposed say 'no'. The 'ayes' have it. The Amendment is adopted. Are there any further Amendments?"

Clerk Rossi: "No further Amendments."

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Speaker Madigan: "Third Reading. Mr. Schoenberg, did you wish to call Senate Bill 2241? Mr. Clerk, what is the status of the Bill?"

Clerk Rossi: "Senate Bill 2241, a Bill for an Act concerning hospitals. Second Reading of this Senate Bill. No Committee Amendments. No Floor Amendments. No Motions filed."

Speaker Madigan: "Third Reading. Mr. Hoffman. Mr. Hoffman, did you wish to call Senate Bill 1657? Gentleman indicates he does not wish to call the Bill. Is Mr. Biggins on the floor? Do you wish to move Senate Bill 1666? Mr. Clerk, what is the status of the Bill?"

Clerk Rossi: "Senate Bill 1666 has been read a second time, previously. No Committee Amendments. Floor Amendment #1, offered by Representative Biggins, has been approved for consideration."

Speaker Madigan: "Mr. Biggins."

Biggins: "Thank you, Mr. Speaker. I request that an Amendment be adopted."

Speaker Madigan: "The Gentleman moves for the adoption of the Amendment. Those in favor say 'aye'; those opposed say 'no'. The 'ayes' have it. The Amendment is adopted. Are there any further Amendments?"

Clerk Rossi: "No further Amendments."

Speaker Madigan: "Third Reading. Representative Garrett, Senate Bill 2160. Mr. Clerk, read the Bill."

Clerk Rossi: "Senate Bill 2160, a Bill for an Act concerning business practices. Third Reading of this Senate Bill."

Garrett: "Thank you, Mr. Speaker, Ladies, and Gentlemen. Senate Bill 2160 amends the Consumer Fraud and Deceptive Business Practices Act by making it an unlawful practice to knowingly mail or send or cause to be mailed or sent a

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postcard or letter to a recipient in this state if the postcard or letter contains a request that the recipient call a telephone number, the postcard or letter is sent to induce the recipient to call the telephone number so that the merchandise may be offered for sale to the recipient, and the postcard or letter does not disclose that merchandise may be offered for sale if the recipient calls the telephone number. I'd be happy to answer any questions."

Speaker Madigan: "The Lady moves for the passage of the Bill. Is there any discussion? There being no discussion, the question is, 'Shall this Bill pass?' The Chair recognizes Mr. Black."

Black: "Thank you very much, Mr. Speaker. I'm sorry I didn't put my light on earlier. Will the Sponsor yield?"

Speaker Madigan: "Sponsor yields."

Black: "Representative, I just wanna make sure that your Bill doesn't stifle a legitimately... a legitimate locally owned business from using direct mail to advertise a special sale. Often done around Christmas, many automobile dealers in my legislative district will send out letters to previous customers or prospective customers saying that this weekend only a special sale for preferred customers, bring this letter with you for an additional discount, or call us for details. I mean, we aren't going chil... we aren't going to put a chill on locally owned business from using direct mail to try and entice customers into their retail operation, are we?"

Garrett: "Absolutely not. This Bill actually came to light because, as you know, many times not only do we get phone calls, but seniors especially, get postcards in the mail saying that they have won a prize or that if they call a

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toll-free number or even a 1-900 number they will be entitled to a gift. When people call that number they find just the opposite and in fact, what happens in many cases is they try to cross sell another product. So, that's what we're trying to eliminate."

Black: "All right. So, you're aimed at those letters and cards that we all get, I've won a trip to Cancun, or if I respond by tomorrow, I've won a big prize and then I call... so you're aimed at that segment of the market?"

Garrett: "Yes. Absolutely. That's it. I could even read you one of those cards if you'd like."

Black: "Oh, I respond to all of them and I've never won anything yet, but I..."

Garrett: "I can pass it along to you, you can take this free vacation."

Black: "All right. Well, I appreciate that distinction. I just wanted to make sure we weren't putting a chill on locally owned retail business that, of course, on occasion uses direct mail to solicit business. And I thank you for your answer."

Garrett: "It's a good question, I appreciate that."

Speaker Madigan: "Mr. Hartke."

Hartke: "Will the Sponsor yield?"

Speaker Madigan: "Sponsor yields."

Hartke: "Representative Garrett, I'm a little bit concerned about this. Ya know, I, like the previous speaker, get packets in the mail or postcards and on these postcards they do offer a sale on a building or some piece of equipment... they're a packet... like... like 25 or 30 postcards in a packet. Now, I'm not sure whether they offer a free trip to Cancun or anything like that, but they do have a phone number for an inquiry on this postcard. Are you saying

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that after you call them they tell you if you order this you could qualify maybe for some gift or something?"

Garrett: "It's clearly deceptive business practices where the person sending the postcard knowingly sends something out saying that the person has won a prize or is entitled to a free vacation, knowing full well that that isn't the case at all. And that, of course, would be... somebody would have to file a complaint, but it has nothing to do with postcards being sent out advertising products and asking people to call. It only has to do with deceptive business practices when consumers are being asked to call a number and pick up a prize or pick up something or get something that they're really not going to get at all and especially senior citizens are being preyed on in this way. The direct mail and the retailers are all supportive of this measure."

Hartke: "Okay. And nothing against the mail order houses or whoever do this but where do they generally get these lists?"

Garrett: "I'm sorry, I didn't hear your question."

Hartke: "Where does the business that you're talking about get the list of consumers to send the letters to?"

Garrett: "I have no idea. Ya know, I could say that possibly they, as I said prior to this, they prey on senior citizens, people of a certain income level. It's clearly deceptive business practices that we feel the state should have some oversight on."

Hartke: "Is there any similar current or Federal Law or mail regulation that would outlaw this type of thing?"

Garrett: "Not that we know of. This Bill has passed the Senate unanimously, passed the Consumer Protection Committee, has the full support of all the, ya know, retailers and direct



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mail organizations. So, it probably would be handled best state by state anyway, depending on what the case is. Because the penalty would have to go directly to the State's Attorney or to an Attorney General's Office."

Hartke: "So how would they apply that law if this postcard for example were maybe mailed from California or Colorado or some other state? Could we impose our regulations on those state citizens?"

Garrett: "Well, I can't tell you exactly, I'm not a lawyer, but I can tell you that when the business is located in the State of Illinois the penalty could be that that business could... their business license could be suspended or eliminated and they would have to pay a fine. I can't tell you what other states would do or what we would do with them."

Hartke: "Well, mail travels..."

Garrett: "I think we're protecting our own residents."

Hartke: "... mail travels all over the place and if you're considering that to be mail fraud, would not the Federal Government get involved?"

Garrett: "I guess the Federal Government could get involved. I don't know what the federal regulation is on this. So, I can't really answer that, but the State of Illinois doesn't have a regulation and that's what this Bill's all about."

Hartke: "Well, I'm not saying this is a bad idea..."

Garrett: "Yeah."

Hartke: "... don't get me wrong. But I'm just concerned, just a little bit, that we may be stepping into something that we really don't know what in the world we're doing, because there could be a lot involved here. Now, it... you said the wording on this postcard indicates a free gift, that's fraud?"

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Garrett: "What this does, Representative Hartke, is if you receive in the mail a postcard that says, 'Chuck Hartke, you are entitled to a free golf vacation if you call this number.' And then you call the number and sometimes you start..."

Hartke: "I would call, I would."

Garrett: "... I know you would, that's why I said maybe we could get something for you. And you call this number, sometimes you're even charged if it's a 1-900 number. But when that caller..."

Hartke: "Well, wait a minute now, 900 numbers are different."

Garrett: "Well, let me... I shouldn't have... I'm not..."

Hartke: "Susan, how many do you call, 900 numbers? Come on now."

Garrett: "I think we should talk about 'tarp' legislation. So, when the person makes the phone call to the direct mail house, let's say, and finds out that no, the golf vacation really isn't available, but instead would you be interested in and they try to cross sell a totally different product and in fact, when looked at, that business had no intention of ever providing a free golf vacation for you, Chuck Hartke."

Hartke: "What you're saying is, they're using an old business..."

Garrett: "Deceptive business practice."

Hartke: "... switch... bait and switch."

Garrett: "Bait and switch, exactly."

Hartke: "Okay. Thank you."

Garrett: "You're welcome."

Speaker Madigan: "Mr. Cross."

Cross: "Thank you, Mr. Speaker. And I don't intend to verify it, just so you... I want you to know that, but I would like to ask a couple of questions, if that's okay."

Speaker Madigan: "Please, the Sponsor yields."

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Cross: "Thank you. Representative, you've caused some concern on our side of the aisle with some of your answers, so I just wanna try to clear this up. Could you go over for us again the penalties that would be imposed on an individual or corporation who violated this... your new law that you're creating?"

Garrett: "I actually checked on this just today and what I found out from staff is that the State's Attorney or Attorney General can prosecute by one, injunctive relief and I'm not a lawyer so I'm not sure exactly what that means, but two, they can eliminate or suspend the license of the business, in fact, if they find out that they have been practicing deceptive business practices. And thirdly, that they could fine the business with a civil penalty of up to \$50 thousand."

Cross: "So, who would have jurisdiction, Representative, the Attorney General of the State of Illinois or a State's Attorney?"

Garrett: "When I did ask about this, Representative Cross, they said it would be an either or, so I'm not sure who it would be, but it would be one or the two."

Cross: "Would that be... you're saying up to 50 thousand, so if I'm a State's Attorney in Lake County and there are 50,000 cards that show up that say... that violate your section, is that \$50 thousand fine per card?"

Garrett: "Representative, I doubt it would be \$50 thousand per card. I think it would go to the business who is practicing... who is involved in these deceptive practices, that business would be fined up to and no more than \$50 thousand."

Cross: "Well, don't you think you should clarify whether you don't know, you don't think so. Shouldn't we clarify

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whether it would apply to each offense or each card? I mean, you're talking about a great deal of money..."

Garrett: "This is under a different statute and I think it's... it's... in fact I know it's clear there. What is... has been said to me is that it's \$50 thousand... up to \$50 thousand for practicing..."

Cross: "It actually says, Representative, and I... maybe we need to get your staff up here. It actually says, 'per violation'. So, each house... certainly, the goal it sounds like is to keep each household from receiving this. So a violation occurs each house that re... for each house that receives the card. Does it not?"

Garrett: "Representative Cross, I think the intent is not to do it card by card. As you know, there is only one entity who would be guilty of this and that would be the business, not the number of cards that the business sent out, but in fact, the crime that they committed."

Cross: "Well, I think we know what you're trying to do and I... oftentimes we think we have some solution to some things that go on, but we create other problems. This is unfortunately, very vague. Define 'induce' for us in the context of this new section you're creating. You say, 'the postcard or letter is sent to induce the recipient.' Do you have any definition in the... now that you've... since you've used the word 'induce'? What does that mean?"

Garrett: "Induce, I think it means to encourage. I don't have my dictionary in front of me, but I would say encourage."

Cross: "Okay. Incidentally, going back to the penalty phase, are you aware that actually it can go up to 60 thousand if the individual's over 65, you could tack on another \$10 thousand to the company?"

Garrett: "I didn't know that, but I appreciate that information."

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Cross: "All right. Let me ask you this, the postcard contains the request that the recipient call a number. The postcard is sent or mailed to induce the recipient to call the number, so that goods or service or other merchandise may be offered for sale and the postcard does not disclose that goods or services may be offered for the sale if the recipient calls the telephone number. What if the Natio... the Democratic National Party sends out cards to households in..."

Garrett: "To you, Representative, to you?"

Cross: "... Well, let's say I get one. All right."

Garrett: "Okay."

Cross: "Let's say one shows up at my house."

Garrett: "All right."

Cross: "And I go to the Republican State's Attorney or Democrat State's Attorney in my county and I ask him... and I say, 'look, I've gotten a request from the Democratic National Party for services for whatever and I think you violated... they violated Representative Garrett's new law. It's relatively vague and I'm over 65. I want 'em to be fined \$65 thousand.' Is that what your goal is?"

Garrett: "Okay, first of all, you wouldn't be fined. Second of all, this only applies to businesses... only applies to businesses. And third of all, what you're explaining may or not be interpreted as deceptive."

Cross: "I under..."

Garrett: "I think what we're confusing here, Representative, is that there are businesses out there that are clearly in the business to deceive consumers by sending them cards in the mail, asking them to call, to pick up a gift or take advantage of a vacation, when in fact, the gift or the vacation do not exist. And we're trying to stop that,

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especially in light of the fact that these cards are preying on senior citizens, especially."

Cross: "Well, Representative, I under... it says... and again, I know you have a staff person there to give you the answers. It says here, 'any person', it doesn't talk about... so, it's not just a company, it's any person. So, who's the head of the National Democratic Party, do you know?"

Garrett: "I don't know."

Cross: "All right. I don't... so, we're... I don't think it's Al Gore..."

Garrett: "I'm pretty independent."

Cross: "Okay. Let me ask you another... let me ask you another... I know, that's what the Speaker said. All right, let me ask you another question."

Garrett: "Actually, my constituents say that, too."

Cross: "Well, more again along the lines of creating a law or trying to address a problem to where certainly one thing we could all do is take that postcard and just throw it away as opposed to us creating a new law, but we're gonna deal with your law right now. What if a religious organization like the Christian Coalition, or a Jerry Falwell group, or whatever the case may be, sent out a fundraising request to an individual, would that organization fall under your group, or under your law?"

Garrett: "No, it wouldn't, because a fundraising request is quite different, Representative, than offering somebody, or enticing somebody, or inducing somebody, or encouraging somebody to pick up a gift or take advantage of a free vacation. I think you really need to read the Bill and understand what it says. You're confusing the issue, Representative Cross."

Cross: "No, I'm not, Representative. And maybe not fundraising,

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but perhaps you receive..."

Garrett: "You said fundraising, so that's what I'm referring to."

Cross: "... All right. Perhaps not fundraising. You receive a request in a card to offer prayer... a prayer for you or..."

Garrett: "You know, Representative, this is a little esoteric. I think everybody in this room..."

Cross: "That's the problem with your Bill, it is too."

Garrett: "No, it's not. It is very clear on deceptive business practices. When... there probably has... isn't one person in this room that hasn't heard of or received one of those kind of cards. And to say differently and to use prayers and financial fundraising contributions is clearly duplicitous and not fair on your part."

Cross: "All right, Representative. I hope this doesn't come back to bite the National Democratic or State Democratic Party or any other organizations in the state that send out these cards unknowingly. I appreciate your answer."

Garrett: "Thank you."

Speaker Madigan: "Mr. Leitch."

Leitch: "Thank you, Mr. Speaker. I, too, agree with what you're trying to accomplish. My concern is the way that this is worded. In this Amendment, are you anticipating that all three elements are supposed to be in place before there's deception?"

Garrett: "Yes, yes."

Leitch: "Cause, I'm not a lawyer but, as I read this it would say that it's unlawful practice under this Act to knowingly mail or send or cause to be mailed or sent a postcard or letter to a recipient in this state if and then one, it says the postcard or letter contains a request that the recipient call a telephone number. And then..."

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Garrett: "I don't know... so what's your question?"

Leitch: "... and my point is there's no 'and' after that. I mean, to me it's potentially..."

Garrett: "Well, I went over that."

Leitch: "... a flaw in the Bill."

Garrett: "Somebody else actually brought that up and I talked to the retail merchants and they're totally fine with that legislation and don't have a problem with it, whatsoever. In fact, I haven't looked at the analysis, but I think they're proponents of this Bill. But we went over that with them to make sure that they agreed to the wording and they did. So, I... that was brought up in committee and I said I would look into it and I did. And people preferred to see it the way it currently is today."

Leitch: "How could..."

Garrett: "But I did follow through on that."

Leitch: "How can it address all three elements without the 'and' in it?"

Garrett: "It's just... ya know, it's a natural transition because it's the next three things in line, so we could add the word 'and' at some point in time, but I think that it really won't make any difference in this legislation, whatsoever. But again, I did follow through on that and talk to all the interested parties and they preferred that it stayed the same."

Leitch: "Well, I'm very uncomfortable with the way that reads and I would suggest it would be helpful to tighten this Bill because as previous speakers have said, this could, I think, as vague as it is, create some problems down the road. Thank you."

Garrett: "You're welcome."

Speaker Madigan: "Mr. Osmond."



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

Speaker Madigan: "The Sponsor yields."

Osmond: "Susan, in the... in the language as I read it, there's nothing in there that says that the postcard must contain an offer for a free gift or doesn't say anything at all about what the contents of the card are, it would be on there. And I think I understand what you're saying because I have, maybe like many of my colleagues have, mailed those cards back or made the phone calls for free film or free pens or something. But as I read the language, I'm not seeing that that card must contain that inducement, that prize, that free golf vacation."

Garrett: "Well, I suppose we could list all of the possibilities in the legislation, but I'm not sure that we should be that specific. What we talk about are deceptive business practices and I think it's clear it could be anything from golf vacations, to pens, to sweepstakes, and the list could go on and on. But this went through a lot of... a lot of people looked at this and felt this was the best wording."

Osmond: "What if... Susan, what if I wrote a letter that said... on the letterhead it said ABC Insurance Company and the letter came and said, 'Dear Susan, if you'll call me, I think I have an idea to save you money.' Would that be a... would that be in violation of this Act?"

Garrett: "I'm sorry, didn't hear what you said."

Osmond: "A solicitation letter from a merchant or from a service entity, such as an insurance agency that just simply says, if you'll call me, I have some ideas that I think can save you money. Where would that be exempted in this language?"

Garrett: "No, I... it is clear that what this means is that when a (sic-an) item is offered, whether it be... whatever it would be and that when the person calls... Tim, this is the

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difference. When the person calls only to find out that the insurance agent said, well, that's really not what I wanted to talk to you about. Instead, I wanna sell you an insurance policy and here's what it'll do for you."

Osmond: "Well, that's my... that was my point earlier, Susan, though and you just... you just mentioned it there... that because it didn't have an item in it that it wouldn't fall under this Act. But your Act doesn't call... it doesn't say that an item has to be in it. It just says when there's something to induce. I would say to you that saving money might be an inducement, or upgrade your computer, or buy new equipment, that's an inducement. It doesn't.. and the language in there doesn't say a gift or some loss leader type item and that's... I'm just thinking that there may be other letters that would go out that would fit in... there's no real definition of what you're trying to avoid from a regular solicitation letter and that concerns me on it. And I read the comments from the Sponsor over there and I'm sorry that Senator Link felt the urgency to receiving a postcard in the mail and he thought that it was an emergency and he had to immediately respond. I hope that if my daughter was in the hospital they wouldn't send me a postcard to tell me that it was an emergency and I should call. But I think, Susan, that that language without defining, ya know, that... that... that hook, the thing that has nothing at all to do with the letter, if that's not in there somehow, a simple solicitation letter may fall into this, if it doesn't say buy something from me."

Garrett: "Okay. Representative Osmond, let me explain a little bit better and for some of your colleagues. In Section 1, it actual... I can go into detail about what we're talking

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about now. I'd be happy to read, 'the term advertisement includes the attempt by publication, dissemination, solicitation, or circulation to induce directly or indirectly any person to enter into any obligation or acquire any title or interest in any merchandise that includes every... and includes every work device to disguise any form of business solicitation by using such terms as renewal, invoice bill, statement, or reminder to create the impression of existing obligation when there is none, or other language to mislead any person in relation to any sought after commercial transaction.' This is already in our state statutes and that's what this refers to. And I could go on about what the term 'merchandise' means and it... it continues to define exactly where I think, you think, this Bill is vague."

Osmond: "Suzie, what are you reading from there? What was that?"

Garrett: "It's the Consumer Fraud and Deceptive Business Practices Act, which I have a copy I could bring over and show you. But this is the key here because this is the reference tool that will be made. And that's why it wasn't specifically listed in this Amendment to the legislation."

Osmond: "Do you know what it was specifically that Senator Link received that precipitated the change in this?"

Garrett: "I don't... ya know, I know that not... I don't know about what Senator Link received, but I can tell you that myself along with my constituents and I'm sure residents throughout this state have received numerous cards enticing them or inducing them to call a number or to pick up something that isn't there and that's what this is about. It clearly makes the Deceptive... Business Practices Act stronger and it protects consumers in this state."

Osmond: "Does this do anything, Susan, if they... if in fact the

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gift is available? Please call this number and receive your great golf vacation and in fact they give you a golf vacation?"

Garrett: "Then they are not in any trouble at all. That's the whole point for people that are doing that, businesses that are doing that, they aren't breaking the law. The people that are doing it and being clearly, knowingly deceptive are the ones that we're trying to prevent from doing that."

Osmond: "So, what basically... it's just if you promise something and you don't deliver, then you would be guilty of this?"

Garrett: "It's not promising and not delivering, it's promising and knowingly not intending to deliver, but asking people to call in and then say, by the way, that golf trip doesn't exist, but instead we can get you and your wife to an insurance convention in Aruba for free."

Osmond: "I can't think of a more fun time though than an insurance vacation in Aruba. That would be great."

Garrett: "Well, I shouldn't say for free, but for, ya know, a price of, ya know, a couple hundred dollars or something."

Osmond: "How about those... how about those situations where you get lifetime film and you call in and you find out that to get the lifetime film you've gotta buy the... I think there is... you have to do all the developing at a particular store, would that be in violation of this?"

Garrett: "No. Ya know, Representative Osmond, let me make it clear just one more time. It's only when the person sending the card knowingly is being deceptive about what they're offering when they say there's a gift or a vacation and they clearly don't have anything to offer. Many senior citizens, as an example, call the number, think they're going to get something, and then find out that it doesn't exist. There are two problems with this. Sometimes they

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pay for the call. And then secondly, when they're on the phone with this merchandiser they find out that they are being sold a different product. For many businesses this can be very lucrative, but unfortunately for senior citizens especially, it is very costly, and it's deceptive, and it's our job to prevent that from happening."

Osmond: "Does this do anything with, with any kind of time frames if they disclose on the card, offer valid only through a certain time or limited supply only? Does that get them off the hook by sending that out? Would they have... maybe there were three golf trips out there that were awarded, but if they used the language 'limited offer' or 'first come...' is there any language that they could put on there that would... that you could perceive that would void the effect of your Bill?"

Garrett: "Well, Representative Osmond, as I said I'm not an attorney, but if I got enough... if I was an attorney, an Attorney General or State's Attorney and I received several complaints about business ABC who was continually sending out these cards and putting information out there that was untrue and... and knowingly misleading people, I think it would send a clear message that this business wasn't just one point... at one point in time out of a product. I think that what will happen in cases like this is that there are going to be businesses that are targeting certain audiences in the State of Illinois who knowingly are doing this because they want to make money selling another product. There are businesses that this will never affect because they're doing it with the right intentions and they are actually offering some sort of merchandise."

Osmond: "So, you don't think that any wording..."

Garrett: "No, I don't. I don't."

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Osmond: "... any wording that would disclose that all prizes may not be available or that while supplies..."

Garrett: "No, that's up to the person..."

Osmond: "... last or anything like that won't make any affect on your Bill?"

Garrett: "... that's up to the person sending the card. This isn't just something that happened because Senator Link received a card in the mail, Representative Osmond. This is a practice that has been going on way too long and consumers and taxpayers are asking us to put a stop to it. And this is a good attempt to put a stop to it and protect the consumers in the State of Illinois."

Osmond: "If somebody puts the words this is a sale solicitation on the bottom of that card, does that exempt them now?"

Garrett: "If again, I think it just goes back to the same premise, if it was a legitimate sale and again you would... enough complaints would have to filed to find out if company ABC was doing those legitimately or not doing it legitimately. I should also let you know, Representative Osmond, that this Bill has been supported and endorsed by AARP, because they know firsthand that seniors in this state are being preyed after by these kinds of duplicitous practices."

Osmond: "Great, sometimes when I..."

Speaker Madigan: "Mr. Osmond."

Osmond: "Sir."

Speaker Madigan: "Mr. Osmond, could you bring your remarks to a close."

Osmond: "Sir, thank you."

Speaker Madigan: "Thank you."

Osmond: "Sometimes when I read magazines or when I'm watching television I find out that I'm looking at an infomercial

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and then you'll look up in the top of the magazine and it'll say advertising. And I'm wondering whether or not someone would be able to do that and then... and then... and therefore be a disclosing that this is a solicitation for merchandise. And that would... my concern is... there is that you may be able to get around the law fairly easy by not deciding or not including that you've got that hook out there, that gift out there, that's not gonna be forthcoming. Thank you."

Garrett: "Well..."

Speaker Madigan: "The question is, 'Shall this Bill pass?' Those in favor signify by voting 'yes'; those opposed by voting 'no'. Have all voted who wish? Have all voted who wish? The Clerk shall take the record. On this question, there are 84 people voting 'yes', 30 people voting 'no'. This Bill, having received a Constitutional Majority, is hereby declared passed. Mr. Franks."

Franks: "I rise on a point of personal privilege."

Speaker Madigan: "State your point."

Franks: "If I may, I'd like to introduce to the Body, young Thomas Peter Dart, who's here with us, who's 8 and 1/2 months old. He's been voting his father's switch all morning and has... there's been no appreciable difference. And we just wanna welcome him with his mother, Patricia and... with this love conceived on the House Floor between Patricia and Tom, as Patricia was a staffer here. Not saying that Thomas was conceived here, we're just saying that the love was. So, we'd like to welcome him to his first day on the House Floor of the General Assembly."

Speaker Madigan: "Mr. Boland."

Boland: "Point of personal privilege, Mr. Speaker."

Speaker Madigan: "State your point."

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Boland: "I'd like to introduce up in the gallery the representatives from the student council of Riverdale High School in Port Byron along with their teacher, Andy Apicella. Right up here, welcome to Springfield."

Speaker Madigan: "On Supplemental Calendar #1. Mr. Clerk, for the Rules Report."

Clerk Rossi: "Representative Barbara Flynn Currie, Chairperson from the Committee on Rules, to which the following measure/s was/were referred, action taken on May 2, 2002, reported the same back with the following recommendation/s: 'to the floor for consideration' House Bill 4563 to the Order of Second Reading and House Resolution 772. Supplemental Calendar #1 is being distributed."

Speaker Madigan: "On Supplemental Calendar #1 there appears House Resolution 772, Representative Garrett."

Garrett: "This is... this Resolution is for Howard J. Kerr who is the Mayor of Lake Forest, who has served three terms as Mayor in Lake Forest, Illinois. And it is a way for the state to pay tribute to his public service and I appreciate the support for this Resolution. Thank you."

Speaker Madigan: "The Lady moves for the adoption of the Resolution, those in favor say 'aye'; those opposed say 'no'. The 'ayes' have it. The Resolution is adopted. Chair is prepared to adjourn. The Clerk on the Agreed Resolutions."

Clerk Rossi: "House Resolution 847, offered by Representative McCarthy; House Resolution 848, offered by Representative Collins; House Resolution 851, offered by Representative McCarthy; House Resolution 853, offered by Representative Erwin; House Resolution 855, offered by Representative Murphy; House Resolution 858, offered by Representative Parke; House Resolution 859, offered by Representative



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Schmitz; House Resolution 860, offered by Representative Burke; House Resolution 861, offered by Representative Bellock; and House Resolution 864, offered by Representative Meyer."

Speaker Madigan: "There being nothing further to come before the House... the Clerk advises that... The question is, 'Shall the Agreed Resolutions be adopted?' Those in favor say 'yes'; those opposed say 'no'. The 'ayes' have it. And the Agreed Resolutions are adopted. Mr. Clerk, anything further?"

Clerk Rossi: "Nothing further, Mr. Speaker."

Speaker Madigan: "Mr. Cross."

Cross: "Thank you, Mr. Speaker. Inquiry with respect to the Third Reading deadline, do you anticipate extending that?"

Speaker Madigan: "The answer is 'yes'."

Cross: "Thank you. For every Bill or just the...?"

Speaker Madigan: "The answer is 'yes'."

Cross: "How long? How long will the extension last or be?"

Speaker Madigan: "That's a question that could be answered better by those people that gather in the Governor's Office to talk about the budget. There's one of them right in front of you to your right."

Cross: "Lisa Rawlings?"

Speaker Madigan: "Chair is prepared to adjourn and the Members should be advised that we've been told by the Comptroller's Office that the per diem checks will be here in about five minutes for those of you who wish to wait. Representative Currie moves that the House stand adjourned until Tuesday at 1 p.m. Mr. Jerry Mitchell."

Mitchell, J.: "Thank you, Mr. Speaker. I'm... it may have been said earlier and I didn't catch it, but there are a number of Bills still on Second Reading and I'm inquiring as to

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whether or not there will an extension for those Bills so that we continue to work with Leadership?"

Speaker Madigan: "Mr. Cross put that question and the answer was 'yes'."

Mitchell, J.: "Thank you."

Speaker Madigan: "Representative Currie moves that the House stand adjourned until Tuesday, May 7 at 1 p.m., providing perfunctory time for the Clerk. Those in favor say 'aye'; those opposed say 'no'. The 'ayes' have it. The House does stand adjourned until Tuesday at 1 p.m., providing perfunctory time for the Clerk."

Clerk Rossi: "Introduction and First Reading of House Bills. House Bill 6284, offered by Representative Mulligan, a Bill for an Act concerning state finance. First Reading of this House Bill. The House Perfunctory Session now stands adjourned."