

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

76th Legislative Day

November 28, 2001

Speaker Madigan: "The House shall come to order. The Members shall be in their chairs. We shall be led in prayer today by Pastor David Bigsby of the Calvary Baptist Church of Glenwood in Glenwood, Illinois. Pastor Bigsby is the guest of Representative Bob Ryan. The guests in the gallery may wish to rise and join us for the invocation and the Pledge of Allegiance."

Pastor Bigsby: "Heads are bowed and eyes are closed. Let us pray. Precious Master, our Lord, we come before Your presence recognizing Your awesome power, giving thanks to You for all things, for You are our Creator and how magnificent is Your creation. Father, now as we come in Thy midst, we ask that You would be in our hearts; not only in our hearts, but that You would be in our being, that we become invisible and that when the world looks at us, they see You. Father, now we ask that You grant us grace, that we may not walk in the counsel of the ungodly. Help us not to stand and take counsel with sinners. Help us that we might abide in Your word and that we might meditate on Your law. Bless, Oh Lord, we pray this august Body of lawmakers, give them wisdom and knowledge from on high, keep them on the right path, bless them with strength. Most of all, we pray that they glorify Your name in everything that is done and everything that is said. Bless, Oh Lord, this great state. Bless this great nation. Bless all those, Lord, that rally around the call that we may be able to live out the faith of being Americans. Father, we ask all of this. And we thank God and amen and amen."

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

Ryan - et al: "I pledge allegiance to the flag of the United

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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 show that Representative Kenner is excused today."

Speaker Madigan: "Mr. Poe."

Poe: "Mr. Speaker, let the record show that all Republicans are present today."

Speaker Madigan: "Mr. Clerk, take the record. There being 116 Members responding to the Attendance Roll Call, there is a quorum present. Mr. Clerk."

Clerk Rossi: "Committee Reports. Representative Barbara Flynn Currie, Chairperson from the Committee on Rules, to which the following measure/s was/were referred, action taken on November 28, 2001, reported the same back with the following recommendation/s: 'to the floor for consideration' Senate Bill 758 to the Order of Second Reading, Senate Bill 1089 to the Order of Second Reading; and 'approved for consideration' Floor Amendment #2 to Senate Bill 1089. Introduction of Resolutions. House Resolution 556, offered by Representative Lyons; and House Resolution 559, offered by Representative Lou Jones are assigned to the Rules Committee."

Speaker Madigan: "Mr. Clerk, read House Resolution 547."

Clerk Rossi: "House Resolution 547 offered by Representative McCarthy."

HOUSE RESOLUTION 547

WHEREAS, The members of the Illinois House of Representatives are pleased to recognize significant accomplishments in high

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school sports in the State of Illinois; and

WHEREAS, On November 3, 2001, the Carl Sandburg Boys Varsity Soccer Team, the Eagles, won the IHSA State Class AA Soccer Championship; and

WHEREAS, The Eagles finished the season with a record of 27-1-1, and they won the SICA West Conference, the Glenbard West Tournament, and the Illinois Sectionals and Super Sectionals; in addition, they tied a State record with 21 wins in a row; and

WHEREAS, The team members are Nick Anello, Colin Aubin, Captain Bob Beard, Zack Bulkema, Matt Burns, Matt Christenson, Alex Duncan, Brett Falloon, Tom Funk, Pete Gabrysiak, Cole Glassner, Tim Kopec, Kevin Kuhn, Greg Kupiec, Nick Kwiatek, Angelo Labriola, Captain Kevin Marszalek, Matt Mergenthaler, Brad Nagel, Matt Nagel, Greg Olmstead, Brian Pasierb, John Partyka, Rick Partyka, Jay Swiderski, Tim Solomon, Jed Zayner, and Jesse Furmanek; their coach is Jack Ferraro; the assistant coaches are Jim Pisani, Pete Knutsen, Mike Erdman, and Dan Olson, the trainers are John Wator and Laura Grasso and the student trainers are Anne Pettenon, Carol Buglio, and Linda Sullivan; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate the Carl Sandburg Boys Varsity Soccer Team on winning the 2001 IHSA State Class AA Soccer Championship; and that we extend our best wishes to the coaches and the team for continued success in the future; and be it further

RESOLVED, That suitable copies of this resolution be presented to Mike Mecozzi, principal of Carl Sandburg High School, Jack Ferraro, head coach of the Eagles, assistant coaches, Jim Pisani, Pete Knutsen, Mike Erdman, and Dan Olson, and each member of the team as an expression of our esteem."

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Speaker Madigan: "The Chair recognizes Mr. McCarthy concerning House Resolution 547."

McCarthy: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. I'd like to call attention, in the gallery to my rear, if my fellow colleagues would please pay attention for a second, that we are honoring today through House Resolution 547 the State Soccer Champions from Carl Sandburg High School in Orland Park, Illinois. The... Carl Sandburg has been famous for many years for both its academic and its athletic success. Last year they were proud to have a perfect 36 on the ACT score for one of their seniors. During this Fall Session alone, in addition to the soccer state champions, the girls volleyball team earned second place in state, the boys football team was a quarterfinalist in the AA tournament and both the boys and the girls cross country teams were qualifiers at the state tournament, as well. The coach, Jack Ferraro, I'd like to give him a special salute today. Coach Ferraro not only had the pleasure of coaching his team in the state quarterfinals this year, but also... or the state semifinals, but rooting for his son who plays for the Lincoln-Way soccer team in the state semifinals on the same day. I think he was fortunate to get to coach against his son in the finals, but they were able to go on to the final game and of course, achieve the state championship. I, also, especially want to thank my colleagues from the Metro-East area who, in support of this Resolution, have acknowledged that the Metro-East is no longer the soccer capital of the State of Illinois, but the soccer capital of the State of Illinois is in the southwest suburbs of Chicago and we're gonna keep it there for quite a while. So, I'd like you to welcome and congratulate the young men

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of the Sandburg soccer team up in the gallery."

Speaker Madigan: "Representative Kosel."

Kosel: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. I would like to echo the Representative McCarthy's comments on the Sandburg. They also represent part of my district and I would like to contribute to their congratulations from the other side of the aisle. It's wonderful to have such great, athletic endeavors happen within our district. This is the second time in two days that I've been able to stand up and compliment the accomplishments of high schools within my district. They have done a fine job and yes, indeed, the southwest suburbs are the soccer capital of the state."

Speaker Madigan: "Representative Crotty."

Crotty: "Thank you, Mr. Speaker. I, too, rise in support and I'm very happy to be a cosponsor of this Resolution. I wanna also extend my congratulations to Carl Sandburg High School in not only the soccer champs, but also for the fine job that they do in scholastics. Thank you, again."

Speaker Madigan: "The question before the House is, 'Shall the House adopt House Resolution 547?' Those in favor signify by saying 'yes'; those opposed by saying 'no'. The 'ayes' have it. The Resolution is adopted. And Representative McCarthy, congratulations. Mr. Clerk, read House Resolution 541."

Clerk Bolin: "House Resolution 541."

HOUSE RESOLUTION 541

WHEREAS, The members of the Illinois House of Representatives are pleased to recognize the accomplishments of native Illinoisans; and

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WHEREAS, Jerry Colangelo was born and raised in the "Hungry Hill" neighborhood of Chicago Heights; as a youth he was one of the top pitchers on a team that also featured the talents of future New York Yankee Jim Bouton; he was also an excellent basketball player, capturing All-State honors and leading Bloom Township High School to a 49-8 mark and two appearances in the Illinois State Tournament; his outstanding athletic ability led to 66 college scholarship offers for basketball and seven professional baseball contract offers; he was honored with the dedication of the Jerry Colangelo Gymnasium at Bloom Township High School in 1996; and

WHEREAS, At the University of Illinois, Jerry Colangelo played two seasons of baseball and four seasons of basketball; he earned All-Big Ten basketball honors, averaging 15 points a game; he was the team captain as a senior and he has been inducted into the Illinois Basketball Hall of Fame; and

WHEREAS, Mr. Colangelo's professional career in sports began when he became head scout and director of merchandising for the Chicago Bulls in 1966; in 1968 he moved to Arizona and became the general manager of the expansion Phoenix Suns, making him the youngest general manager in professional sports; in 1987, he led a group of investors that purchased the Suns and he became the team's CEO; and

WHEREAS, After earning an unprecedented fourth NBA Executive of the Year award in 1993, he began negotiating with Major League Baseball to bring an expansion team to Arizona and he was awarded the franchise that became the Arizona Diamondbacks; and

WHEREAS, As Chairman and CEO, Mr. Colangelo has built the Arizona Diamondbacks into a team that, with its thrilling victory over the New York Yankees in seven games in 2001, won the World

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Series in only its fourth year, which is the shortest time in which an expansion team has ever won the World Series; and

WHEREAS, Jerry Colangelo has distinguished himself as one of Arizona's most active community leaders; he serves either as a board member, executive, or member of charitable, civic, cultural, athletic, and religious organizations; and

WHEREAS, Although his time is always at a premium, Jerry Colangelo has found time to author the book "How You Play the Game", which gives insight into the business of sports; and

WHEREAS, Jerry Colangelo and his wife, Joan, reside in Phoenix, Arizona; they are the proud parents of daughters Kathy Holcombe, Kristen Brubaker, Mandie Okyere, and son Bryan Colangelo, who serves as the president and general manager of the Phoenix Suns; they are also the proud grandparents of nine grandchildren; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate Jerry Colangelo on his lifelong record of achievement in both Illinois and Arizona and we wish him and his family continued success and happiness in the future; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Jerry Colangelo as an expression of our esteem."

Speaker Madigan: "On the Resolution, the Chair recognizes Representative Saviano. The Members would give their attention to Mr. Saviano, please."

Saviano: "Thank you, Mr. Speaker. Ladies and Gentlemen, a couple of years ago I had the opportunity to meet a man who came back to the State of Illinois to head the building of the new Italian-American Sports Hall of Fame on Taylor Street. In this meeting, I found out that number one, he was from

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Illinois which was great, comin' from Chicago Heights, comin' up the hard way. And I've heard his story from a lot of people; it's a pretty remarkable story. And it's a story that we could all relate to because I think, coming to the General Assembly from meager starts that we've had in our lifetimes, we could appreciate where Jerry Colangelo has come a long way in being the owner of the team who won the World Series only four years after he established the team. He's involved in so many charitable events, he's tireless in helping people. And I've seen it firsthand, not only with the Italian-American Sports Hall of Fame, but with charities across the country and charities in Arizona. And I think, if he had more of a love for politics, he'd probably be the Governor of Arizona tomorrow, if he wanted to be, because he has energized the people of Arizona, not only with the Phoenix Suns and the Diamondbacks, but all the way around making Arizona a premier sports town... a sports state. So, it gives me great pleasure today to present this Resolution. I would ask that all Members join in as cosponsors on this Resolution recognizing Jerry Colangelo, one of our favorite sons of Illinois. And I can tell ya that he hasn't forgotten where he's come from. He's in Chicago probably, more than he's back in Phoenix. He's always traveling around and he uses Illinois, of course, O'Hare Field as his hub, so he's always around town and keeping close contact with the people that he started out with. So, it really does give me great pleasure to introduce this Resolution and ask for your support. There's a lot of good people out there and one of them, definitely, is Jerry Colangelo. He's a great guy; he's a decent man. And he's a great friend of Illinois and just humanity in general. Thank you, Mr. Speaker."

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Speaker Madigan: "Mr. Black."

Black: "Thank you very much, Mr. Speaker and Ladies and Gentlemen of the House. It's a privilege and pleasure to be added as a cosponsor. I'm one of the few people in this chamber old enough to remember when Mr. Colangelo, who was a very young man at the time, played basketball for the University of Illinois. He was advanced early on out of grade school, so he's much younger than I. But I also had, in a previous life, the opportunity to work with a good friend of his, out of Aurora, Bill Small, who was an outstanding basketball player at the University of Illinois and I had an opportunity for some five years to work with Bill Small, who sends his regards and thinks very highly of you. And my father, who spends the winters in Mesa, Arizona, and I've gone to some Phoenix Suns games in the beautiful arena that you built, remember some excellent games when Charles Barkley and Michael Jordan had quite a rivalry, just happen to be visiting my father on the Saturday and Sunday of game six and game seven, a coincidence I'm sure. But I congratulate you on your World Championship, a very beautiful ballpark and for all that you've done for the City of Phoenix. Most of all, as a die-hard Cubs fan, I thank you for giving Mark Grace a World Series ring, Luis Gonzalez and two other Chicago Cubs. I think you have finally destroyed this evil canard that has been going around baseball for years called the ex-Cub factor, that if you had ex-Cubs on your team, you couldn't win. Well, that canard was destroyed and I know those ex-Cubs are very, very happy to have a World Series ring and nobody deserves one anymore than Mark Grace. And so, next year I wish you the very best, but I look forward to a World Series at Wrigley Field."

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Speaker Madigan: "Representative Scully."

Scully: "Thank you, Mr. Speaker. As Representative Saviano stated, Mr. Colangelo is a native of the State of Illinois and the City of Chicago Heights. Well, I'm very proud to be the State Representative for Chicago Heights. And I want... As Skip said, Jerry came from Chicago Heights. I'm here to tell ya, he gave back to Chicago Heights. He gave back generously over the decades to Chicago Heights. He has been a great role model for the young people in our Chicago Heights and there's symbols of him throughout our town. At the high school, where he was a great basketball player, at the school gymnasium that bears his name because of his generosity and a street named after him. I want to thank you, Mr. Colangelo, for your leadership, for your generosity and for your philanthropy in this... people of the City of Chicago Heights appreciate you as one of their native sons very much. Thank you."

Speaker Madigan: "Mr. Saviano moves for the adoption of the Resolution. Those in favor signify by saying 'yes'; those opposed say 'no'. The 'ayes' have it. The Resolution is adopted. It is my pleasure to introduce to you Jerry Colangelo. And just to put this into perspective, in four years time, he has won a major league baseball championship and the last time that happened for any team in Illinois was 1917. Let me give you Jerry Colangelo."

Colangelo: "Thank you. Thank you. Thank you, Mr. Speaker. First of all, it's a real privilege to be here. You know, I'm a little old-fashioned in some ways, because I really do believe deeply about roots. Over the years, in Arizona in public speaking, I would tell some stories and lead off with, I understood roots before roots became popular, in terms of a movie, in a book, et cetera. And that was part

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of my Italian-American heritage coming from where I did, a very blue-collar, ethnic community, Chicago Heights, and I've never really forgotten that. And that, if anything, is something that has been a big part of me and I've tried to instill that in my children and my ten grandchildren, who are all in Arizona. But my roots are here in Illinois and I'm very proud of that. I was proud to play at the University of Illinois and I made a big decision back in 1968 to leave and some of the media people in Chicago said, Jerry, you can't leave here; you're a Chicago guy. You're an Illinois guy; you can't leave. And something pulled me to Arizona and a lot of great things have happened. I've been very blessed in so many ways, but I have never forgotten where I came from and I feel just as much a part of this state as I do Arizona because the people here have never forgotten me and they've treated me accordingly and I really do appreciate that. Just a comment or two about accomplish... winning the World Series. You all know the name Bobby Knight. Bobby Knight has been a friend of mine, a competitor of mine in college basketball many, many years ago when he was at Ohio State. He called two days ago to say congratulations on winning the World Series and he was really excited for me at that time and he says, 'But Jerry, you've been in basketball for over three decades and you never won a title.' He said, 'and it only took you four years to win in baseball. I mean, that says to me, you should've been out of basketball a long time ago.' And I said, 'Bobby, this is very simple. I had to get into a business where I didn't need a big center because we never had a center with the Phoenix Suns over the years, although we've won a lot of games and been to the finals and all of those wonderful things, but in baseball it was a little bit

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different. And we had a concept; we had a plan. We went after some big-time pitching and we put some great people together, I mean, men of character.' Someone mentioned the Cubs; I was a Cub fan for 50 years. I tell the story, I had to go out and get my own team in order to win in Wrigley Field, the first time we went to Wrigley Field. And I still pull for the Cubs, right after the Diamondbacks, just so you know that, because that's part of my roots, too, without question. But Mike Morgan, Luis Gonzalez, Mark Grace, I couldn't be happier for them and a whole bunch of other veterans who we brought together and we had that moment, that moment that everyone dreams about. I had over three and a half decades to get ready for the moment and when the moment came, in the ninth inning of the seventh game, it caught me by surprise. And some have said, was it as good as you would've imagined? No, it was better. That's how good it was. And so I hope, I really do hope, that all of you have the chance to experience that here in the State of Illinois, in the City of Chicago, both with the Cubs and the White Sox. And, again, thank you so much for this honor. I appreciate it."

Speaker Madigan: "On page 3 of the Calendar, on the Order of Amendatory Veto Motions there appears a Motion on Senate Bill 175, Representative O'Brien. The Lady indicates she does not wish to call the Motion. There's a Motion on Senate Bill 647, Representative Hamos. Representative Hamos."

Hamos: "Thank you, Mr. Speaker. My microphone just fell apart. Thank you, Mr. Speaker, Ladies and Gentlemen. I'm asking us to accept the Amendatory Veto of the Governor on this Bill. This Bill essentially has to do with a DUI offense for flying while intoxicated by an operator of an aircraft

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and certain penalties for being a crew member of an aircraft. The Governor's Amendatory Veto simply made consistent two subsections of this Act and provided that for crew members who are onboard an aircraft and have a breath... blood level of .04, that that is considered driving while intoxicated. That's all this Bill does. I think this is a good change. And I support the Amendatory Veto and urge you to vote 'yes'."

Speaker Madigan: "The Lady moves that the House accept the Governor's specific recommendations for change. The Chair recognizes Mr. Black."

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

Speaker Madigan: "Sponsor yields."

Black: "What happens if the aircraft pilot or copilot refused to get out and do a roadside sobriety check?"

Hamos: "Guess we'll..."

Black: "Will their license be suspended?"

Hamos: "Guess we'll have to take their license."

Black: "You know... "

Hamos: "Or maybe the aircraft."

Black: "... in all seriousness, I do have one question that wasn't clear to me last spring. In the case of an aircraft crew, the legal authority to prosecute, if the plane left O'Hare and landed at Denver and the Denver authorities had reason to believe, for whatever reason, that the pilot or aircrew might be under the influence, would the State of Colorado have jurisdiction or maybe they have no law on the books? Or would they be brought back to Illinois for prosecution or is this a matter where only the Federal Government can be the actual governmental entity that would prosecute?"

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Hamos: "Well, Representative Black, I'm a little reluctant in establishing legislative intent which goes beyond the scope of what I'm looking at here. This says that this applies to and it creates criminal penalties when a person operates or attempts to operate any aircraft in this state."

Black: "Okay."

Hamos: "And I think somehow there that nexus would have to be established and this would be a unique circumstance where the intoxication really created, I would think, some kind of a problem that would be brought attention to the criminal authorities."

Black: "No, and in all seriousness, they might imbibe while on the flight and it does set up, perhaps, a jurisdictional dispute. One last question and I apologize 'cause it really doesn't do with the Governor's specific language of change. This does apply to general aviation as well as commercial aviation, correct? A private pilot or a charter operator, there's no distinction that I can see in the Bill."

Hamos: "No. I believe that this has nothing... no distinction between private or commercial. It says, 'any aircraft within the state'."

Black: "Okay. Fine. Thank you. There have been some people, particularly lately, who think we should extend this kind of penalty to passengers who've become unruly and intoxicated, but we'll save that for another day. Thank you."

Speaker Madigan: "The Lady moves that the House accept the Governor's specific recommendations for change with respect to Senate Bill 647. This is final action. Those in favor shall vote 'yes'; those opposed shall vote 'no'. The Clerk will open the record. Has Mr. Poe voted? Has Mr. Poe

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voted? The Clerk shall take the record. On this question, there are 116 people voting 'yes', 0 voting 'no'. This Motion, having received the required Constitutional Majority, the House accepts the Governor's specific recommendations for change regarding Senate Bill 647. On page 3 of the Calendar, on the Order of Total Veto Motions there appears Senate Bill 720. Mr. McAuliffe."

McAuliffe: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. Senate Bill 720 bans a noncompete agreements for broadcasters. Noncompete clauses prevent broadcasters from working for a competitor for six months to two years after termination of their employment. Noncompetes are anticompetitive and have no place in the free market. While noncompetes may be justified for other professions, no compelling business justification exists to hold broadcasters to noncompetes. Broadcasters hold no trade secrets or client lists and they are not privy to any proprietary information. Broadcasters are hired because of their individual talent. Employees (sic-Employers) insist on noncompete clauses for one simple reason, to hold down their wages. I'd be happy to answer any questions."

Speaker Madigan: "The Gentleman moves that the House pass Senate Bill 720, the Veto of the Governor notwithstanding. Is there any discussion? The Chair recognizes Mr. Black."

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

Speaker Madigan: "Sponsor yields."

Black: "Representative, are noncompete clauses a standard practice in other areas of the employment market?"

McAuliffe: "I would say that in some areas there is some noncompete and some other areas there are not noncompete clauses. So, I wouldn't say it's generally across the board where it's everywhere, but some cases there are."

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What the Bill's trying to do is, to prevent the broadcasters that are hired, when they're starting out when they enter into these agreements, that they were not able to work any other place in the market which could be a whole state or more than one state."

Black: "So, in other words, if someone was a research scientist... we'll use one obvious example. If there was one person in the Coca Cola Corporation who knew that formula that they have guarded very effectively for years, what goes into the particular ingredients to produce the soft drink with the trademark Coca Cola, if that person wanted to leave or was hired away by another cola company, would it be probably a practice that he or she could not go to work for another cola company based on inside knowledge of a product that could be then damaging to that company, correct?"

McAuliffe: "Yeah. I would say, in an example like that or like a Kentucky Fried Chicken, where there is a trade secret, that by leaving that company and going to a rival you are taking a trade secret there."

Black: "This Bill addresses radio personalities as well as television?"

McAuliffe: "Right. Most of these people are like the radio broadcasters, the traffic reporters that give the traffic in the morning and afternoons. I'd say the majority of them are that, throughout all of Illinois beside Chicago."

Black: "Would their noncompete clause be in a specific, so many mile radius of their current market or could it extend say statewide or even in the Midwest?"

McAuliffe: "Right. It could be statewide or the whole Midwest. For example, if someone was working in your hometown and they wanted to leave early or were terminated early, from

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what I believe, they could not work in Chicago and maybe within at least 200 miles, even if it's crossing state borders."

Black: "So, if you had a popular sportscaster who left a particular television station and this happened in my area and he wound up at a Chicago station widely disseminated over cable television throughout the country. Now, he or she could to that if they left what, voluntarily or their contract was up and they simply didn't renew the contract?"

McAuliffe: "Right. Well, also, it depends on maybe what was in their contract. Usually, by that, I would say generally by the time someone would be a broadcaster at a higher nature, they might not have a noncompete clause. But that could be depending on what the contract is, but generally the newer, younger people that would start out working, they would have to sign into the... they have to sign those clauses, otherwise they're not gonna work."

Black: "Are these noncompete clauses the rule or the exception in the broadcast industry?"

McAuliffe: "I would say generally it's pretty much the rule, especially starting out. It's only the exception if you are the exception because of maybe your personality of who you are or your name."

Black: "So, if I were doing the noon farm show, giving markets and doing farm and agriculture features, decided that I wanted to move to a bigger city for opportunities that I couldn't perhaps pursue in a small radio market, what you're telling me is that I may not be able to move to a bigger market and continue with some kind of agricultural show, for how many years? Would I be excluded for weeks, months, years or..."

McAuliffe: "I believe it... I would say generally it would

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probably be at least a year..."

Black: "All right."

McAuliffe: "... maybe longer."

Black: "All right. Thank you very much."

Speaker Madigan: "Representative Erwin."

Erwin: "Thank you, Speaker. I, too, rise in support of this Override Motion. While I generally agree with the Governor's actions and try to, in this instance I would respectfully disagree. I think, Representative Black, your line of questioning was a help to clarify and explain a number of issues involved here. Let me suggest to my colleagues that the more typical broadcaster we're talking about here is someone making not a very big salary, not the celebrity newscasters that the major markets have, the wealthier markets, but radio station employees, for instance, or subcontractors in the traffic, which is now outsourced, the traffic news business that may even be fired from their jobs, but are nonetheless held to a noncompete clause that prohibits them from working in a geographic area where their children may be in school, where a spouse, if they have one, may have a job. Representative Black's question, illustration, was a good one, but it presumed that people have the ability at any given point to follow their job. I'm not suggesting here that any of our jobs are guaranteed, certainly ours are not, but I don't think it's fair for people who are... don't have the secret formula to Coca Cola, like I'm drinking right now, or the secret formula; they are journalists who report and broadcast news that changes everyday, it is usually in the English language, it is not a trade secret language that they communicate with. I think it is wholly unfair to bind people in an industry

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that is consolidating before our very eyes. We might end up with two or three companies that own all of the radio stations in the whole United States to force people and again, most of whom do not make high salaries, to basically sign away their right to work, even if they get fired. I am proud to say that I have a good voting record, a voting record that is probusiness and it is not very common, actually, that I have been on the same side as the Sponsor with organized labor. But I must tell you that I think this is an instance where it is wholly unfair and that the fancy broadcasters, the Tom Brokaws of the world, will always be able to take care of themselves. I'm not worried about them. They can hire all the lawyers. I'm worried about the single mom with two kids, that works at your radio station, who will be unable to even pay for a lawyer to protect her job and may be held to a noncompete clause that literally doesn't allow he or she to work. I'd also like, for the record, to point out, should there be any misunderstanding, that this Bill only applies to prospective employees. It is not retroactive, and that, indeed, it does apply to the subcontractors, for instance, that radio and television stations hire. It may be the weather person or it may be the traffic person, but many of these are subcontracted out and the contracts are very similar. So, I would respectfully disagree with the Governor and urge an Override Motion."

Speaker Madigan: "Representative Cowlshaw."

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

Speaker Madigan: "The Sponsor yields."

Cowlshaw: "Representative, I... Pardon me. I have tried to look at this very carefully because I think that there are some

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pretty important issues that are involved here. And I have talked to some of the people who were involved in the decision of the Governor to veto this legislation. So, let me just ask you, so far as you know, are these kinds of employment conditions part of a negotiated contract that is negotiated between labor and management?"

McAuliffe: "I think I would have to say 'yes' as part of that, but going back to the point I was trying to make earlier is that, in the beginning, when you're coming out of school and you wanna, say for instance, in Illinois you want one of these jobs, you have... if you say, I want a noncompete clause set in there, no one's gonna hire you. So, you might as... there's no chance."

Cowlshaw: "All right. But there are, in fact, most of the people who are on the labor side of these contracts, are they, in fact, represented by a union?"

McAuliffe: "Yes, I believe so."

Cowlshaw: "I believe so, too."

McAuliffe: "Yeah."

Cowlshaw: "In other words, what we are fundamentally doing here is taking over the role that the union is supposed to play, in representing those people and their interests when they arrive at those contractual arrangements. Now, we perform a lot of functions here that, I think, are legitimately legislative functions, but I really don't believe that it is our job to take on the role of the union that is clearly not doing its job for its members, if these provisions are as unfair as they appear to be. Now, there is a remedy, of course, but it would seem to me the remedy is through the union rather than to bring this here and expect us to become the referee between labor and management in these situations. And because of that fundamental philosophy

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that is involved here, I believe the Governor is correct and I believe that we should not override this Veto. Thank you for answering my questions."

McAuliffe: "Thank you."

Speaker Madigan: "Representative Cross."

Cross: "Thank you, Mr. Speaker. I rise to request a verification in the event this gets the requisite number of votes."

Speaker Madigan: "Is there any further discussion? Mr. McAuliffe to close."

McAuliffe: "Just ask for a favorable vote."

Speaker Madigan: "The question is, 'Shall Senate Bill 720 pass, the Veto of the Governor notwithstanding?' This Motion requires 71 votes and this is final action. Those in favor signify by voting 'yes'; those opposed by voting 'no'. Have all voted who wish? Have all voted who wish? Have all voted who wish? Has Mr. Parke voted? Now, the Clerk shall take the record. On this question, there are 94 'ayes', and 22 'noes'. And there is a request for a verification. Mr. Cross, do you persist? Mr. Cross."

Cross: "No."

Speaker Madigan: "Thank you, Mr. Cross. This Motion, having received the required Three-fifths Majority, the Motion to Override prevails. And Senate Bill 720 is declared passed, notwithstanding the Veto of the Governor. Mr. Clerk, on page 2 of the Calendar, on the Order of House Bills-Second Reading there appears House Bill 2742. What is the status of that Bill?"

Clerk Rossi: "House Bill 2742 has been read a second time, previously. No Committee Amendments. Floor Amendment #1, offered by Representative Boland, has been approved for consideration."

Speaker Madigan: "Mr. Boland."

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Boland: "Thank you, Mr. Speaker. Amendment 1 becomes the Bill and sets up a checkoff on the Illinois Income Tax form called the Illinois Military Family Relief Fund. It is a fund that would be administered by the Department of Military Affairs and would help provide money for families of National Guard and Army, Navy, and other reservists who are called up into active duty who sometimes take a financial sacrifice when that happens, moving from their civilian jobs to their military jobs. I would appreciate an 'aye' vote."

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

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

Speaker Madigan: "Sponsor yields."

Black: "Representative, the effective date of your legislation is January 1, 2003, is... Am I reading that correct?"

Boland: "Yes."

Black: "All right. Do... The various state departments, do they have the capability of keeping track of who was called to active duty, so that if this becomes law and people apply for assistance, they will easily be able to do that?"

Boland: "I believe so."

Black: "Fine. Thank you."

Speaker Madigan: "Mr. Boland moves for the adoption of the Amendment. Those in favor signify by saying 'yes'; those opposed by saying 'no'. The 'ayes' have it. The Amendment is adopted. Are there any further Amendments?"

Clerk Rossi: "No further Amendments."

Speaker Madigan: "Third Reading. Mr. Clerk, has this Bill been read a second time?"

Clerk Rossi: "This Bill has been read a second time, previously."

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

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Clerk Rossi: "House Bill 2742, a Bill for an Act in relation to taxation. Third Reading of this Senate... of this House Bill."

Speaker Madigan: "Mr. Boland."

Boland: "Yes. Thank you, Mr. Speaker. As I previously explained, in the Floor Amendment, that this sets up a checkoff on the Illinois Income Tax form that would provide aid to military families who have... the breadwinner's been called up into active service. Would appreciate an 'aye' vote."

Speaker Madigan: "The Gentleman moves for the passage of the Bill. And on that question, the Chair recognizes Mr. Black."

Black: "Yeah. Thank you very much, Mr. Speaker. Just one quick question of the Sponsor, if I might?"

Speaker Madigan: "Sponsor yields."

Black: "Just so there's no confusion, Representative, as the noise level gets always loud in here and somebody looks on the board and they see an income tax technical. Your Amendment became the Bill, the Amendment is an income tax checkoff which is voluntary and the money will go to assist families whose family members were called up from the Illinois National Guard, as I understand it, to serve in the ongoing difficulties we are currently faced with. There's nothing else in this Bill. It's a straightforward... the Amendment becomes the Bill, correct?"

Boland: "That is exactly right."

Black: "An excellent idea. I applaud you for bringing it to us."

Boland: "Thank you."

Speaker Madigan: "Mr. Novak."

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

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Mike, is there a time limit on this?"

Boland: " ... "

Novak: "I mean, I notice in the analysis it said, anybody who has been called up on active duty subsequent to September 11th, but is there any..."

Boland: "There..."

Novak: " ... breakoff period here?"

Boland: "There is no breakoff period. As you know, President Bush has said, you know the war on terrorism may go on for a year, two years, who knows. And so these people are kind of in a state of uncertainty and so we didn't put any time limit on it."

Novak: "Okay."

Boland: "And we don't know, if down the line, if this carries through, and if it meets the \$100 thousand threshold..."

Novak: "Yeah."

Boland: " ... and two years from now or something there's another crisis comes up, then this would be in effect to help those families at that time."

Novak: "Okay. Yeah. I just wanted to point out there is that \$100 thousand threshold."

Boland: "Right."

Novak: "Okay. Thank you."

Speaker Madigan: "There being no further 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 116 people voting 'yes', 0 voting 'no'. This Bill, having received a Constitutional Majority, is hereby declared passed. On page 2 of the Calendar, on the Order of Senate Bills-Third Reading there appears Senate Bill 694. Mr. Persico. Mr.

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Clerk, read the Bill."

Clerk Rossi: "Senate Bill 694, a Bill for an Act in relation to utilities. Third Reading of this Senate Bill."

Speaker Madigan: "Mr. Persico."

Persico: "Thank you, Mr. Speaker and Ladies and Gentlemen of the House. Senate Bill 694 amends the Public Utility Act. It gives the Illinois Commerce Commission the authority to oversee the Alternative Retail Natural Gas Suppliers, better known as ARGs, seeking to serve residential customers in Illinois. This Bill contains certification requirements and standard of conduct for ARGs. If you recall, when we deregulated electricity a few years ago, one of the parts of the deregulation Bill was to make sure that any supplier comin' in would have a sound financial background and meet all the qualifications that the ICC would provide in their rules so that residential customers would be protected. And I ask for your support on Senate Bill 694."

Speaker Madigan: "The Gentleman moves for the passage of the Bill. The Chair recognizes Representative Hamos."

Hamos: "Representative Persico... Will the Sponsor yield?"

Speaker Madigan: "Sponsor yields."

Hamos: "Representative Persico, this is kind of a big Bill that we're doing now during the Veto Session and there are some concerns that CUB has raised with a few of us. And I guess I'd like to ask you because we're moving ahead now and I understand that Nicor Gas wants to implement a program as early as March, so we want to set some of this up in place right now. But I want to ask you whether you will give us your assurance that some of the concerns that have been brought to us by CUB and maybe others, too, will be addressed or can be addressed in the Spring Veto Session or

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certainly that we wouldn't foreclose, raising and dealing with some of those issues later on just because we are voting for this Bill today?"

Persico: "Well, Representative, I thank you for that question. And as you know, CUB supports the underlying concept of this Bill, to have the oversight committee by or the oversight authority to... of the ICC and I understand they do have some legitimate concerns and we have given them the, CUB, the insurances (sic-assurances) that these concerns will be addressed in the Spring Session."

Hamos: "Thank you. Thank you."

Speaker Madigan: "Representative Lang."

Lang: "Thank you. Will the Sponsor yield?"

Speaker Madigan: "Sponsor yields."

Lang: "Representative, I don't have any conceptual problem with the Bill, but when we talk about the ICC's oversight, what will their oversight be? How will they accomplish it? Who will do it? Who will pay for it?"

Persico: "The ICC... This is identical to the rules that they set forth for the ener... for the electricity companies who wanna come in and be a supplier of retail electricity to our customers. And basically, what it does is, it lets them. It makes sure it's, first of all, that they're on sound, financial footing and that they meet all the other qualifications that they set forth in the same way that they did for the electric companies or the ARES coming in. And it pertains to safety, making sure that they pertain to accident reports, it prohibits discrimination, you know, pricing on the basis of race, gender, or income, and it places certain restrictions on how services are marketed and built."

Lang: "Does the ICC have a structure in place for doing this kind

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of oversight?"

Persico: "Yes, they do."

Lang: "And the oversight that they've done so far, relative to the electric utilities, have they rejected any companies with this oversight, based on this authority they've received to do it?"

Persico: "If they meet all of the qualifications that they set forth in their rules, then they would not be rejected. And I don't know of any circumstances that a company has been rejected. I don't know the answer to that question."

Lang: "Yeah. I'm just simply trying to find out if the authority they have already is an authority they're using properly or well. You don't have anything to tell us about that?"

Persico: "Again, I don't know if they have rejected any, but I know that they have the statutory authority to set up the rules to make sure that any company that comes in, in terms of electricity as well as, if this Bill passes, the gas, you know, companies, that they will have that authority to regulate the rules."

Lang: "Now, is this an authority or a requirement? Are they required to do these things or do they just have the authority to do these things?"

Persico: "Are you talking about the ICC?"

Lang: "Yes."

Persico: "They have the authority to promulgate the rules for this."

Lang: "And relative to the electric utilities, that they already have this authority for, did they promulgate the rules and are they doing the oversight?"

Persico: "Yes, they have and they are doing it."

Lang: "Thank you."

Speaker Madigan: "Mr. Black."

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

Speaker Madigan: "Sponsor yields."

Black: "Representative, this is not exactly the same language as the electric deregulation Bill and I want to focus on that just a little bit. If I understand your Bill, am I... would I be able... If unbundling of natural gas delivery takes place, would I be able to go to Panhandle Eastern Transmission Company and say, I'd like to buy my gas directly from you. They put it in a pipeline at their wellhead in Oklahoma or Texas, they get it to Illinois, where it will probably be carried through a Nicor, Illinois Power, Cilco, Ameren CIPS gas line to my house. I pay Panhandle Eastern directly. Will I be allowed to do that under the unbundling of services in a residential setting?"

Persico: "If I understand your question, you're saying that in terms of electricity they go through the 't' and 'd', transmission lines of the..."

Black: "Right..."

Persico: "... electric company..."

Black: "... right."

Persico: "... and they're paying a fee for that. Is that going to be the same? I believe that you're just paying that one provider for the gas."

Black: "Under your legislation, could an existing utility in Illinois, such as the ones I listed prior, refuse to allow me to import gas from Panhandle Eastern Transmission Company saying that they did not have room in their mains or that their first priority was to their own customers and they were under no specific Illinois requirement to allow an out-of-state transmission gas pipeline company to send gas through their system to my house?"

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Persico: "The whole concept behind this Bill is to open up the residential customers to natural gas, just as we are doing in the electricity area. And hence, you know, competition is what's going to drive this, lower prices hopefully, and so that, you know, they will be using the same, you know, pipes and that, to pipe in the gas, yes."

Black: "But remember, there's a significant difference between electric rates and natural gas. Natural gas price was deregulated at the wellhead and as we know from last winter, under existing law, a Federal Law, whatever the utility had to pay at the wellhead for natural gas and they were up 300% in some cases last year, that is the price the consumer paid plus transmission and delivery fees. And that's not subject to negotiation and was not subject to ICC rule because the price of natural gas has already been deregulated at the wellhead by the Federal Government and it put many of our citizens at great risk last winter. I hope we never see the kind of price hikes that we did in the natural gas industry last year. So, I'm not sure that the competition factor in natural gas will be the same as it is in electricity. But taking you at your word and I do, if I am able to wheel gas from a transmission company, can I then escape any applicable Illinois taxes since technically I'm buying my gas from a company who pumps from the wellhead in, say, the State of Oklahoma? By the time it gets to my house, can I escape certain Illinois taxes currently put on the delivery of that natural gas through any of the utility companies, as we know them?"

Persico: "Representative Black, I... with... I'm not certain of your answer to that question, but I would say that they would not be able to escape Illinois taxes."

Black: "Would it be a fair assumption... It's my understanding

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that the Commerce Commission raised that issue and thought that there may be a way, if you unbundle the delivery of natural gas, that there may be a way, in fact, for the purchaser of that gas to escape some Illinois taxes which would negatively impact the Commerce Commission's revenues and negatively impact their ability to do the regulatory oversight that still is required under your Bill. I mean, that's my understanding. It may be wrong."

Persico: "Representative, the underlying Bill is opening up retail competition to the gas companies in a Nicor area. If I am wrong, and I don't think that I am in terms of the taxes, I'm sure that the General Assembly will come back next Session and rectify that situation, because this is not the intent of this legislation is to lose revenue for the State of Illinois."

Black: "But Represe..."

Speaker Madigan: "Mr. Black. Mr. Black. For some reason, Mr. Black, your microphone seems to be permanently disabled. The electrician will need some time to repair all of the microphones, except this one. Mr. Black."

Black: "Thank you very much, Mr. Speaker. Two further... just two other questions, Representative. One of the specific things that the Citizens Utility Board asked for was access to the small business customer who appear not to be included in this Bill. It appears to be directed at residential natural gas customers only. Is there any intent to come back and open markets to the small business owner who might also want access to a different supplier?"

Persico: "Well, Representative, as you can see from the Bill, this is opening it up to residential customers..."

Black: "Okay."

Persico: "... only, just yet. And I think that competition is

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gonna dictate whether their businesses are opening up or not."

Black: "My last question has to do with an item that has been a concern of utilities and their customers for a number of years and that is, there is no specific prohibition in this language to prohibit a natural gas supplier from entering into joint marketing arrangements or even buying a retail company to service and install gas-fired appliances, such as furnaces, which has generally been prohibited under the old, regulated market. Is it your intent to say that if they want to enter into a joint marketing arrangement with a retailer, such as Sears Roebuck or your local heating and air conditioning contractor, that that's okay, henceforth?"

Persico: "Representative, I know that this has been an issue that you've been very concerned about for many years and it's my understanding that Nicor has agreed to have discussions with the HVAC industry in this term, in the Spring Session."

Black: "Okay. Thank you very much, Representative. Mr. Speaker, if I might, to the Bill. I think Representative Hamos pointed out some of my concerns, rather late in the Veto Session, that I have with this Bill. It has some implications that many of us simply aren't sure of. Let me just tell you as a rural resident, telephone deregulation didn't really help many people in my area. We've seen an increase in cost; we've not necessary seen an increase in services offered. Big companies really don't want to come into towns of 250 people and offer all of the bells and whistles and high technology features that the modern telecommunications market can offer. It was my fear with electricity deregulation. Who wants the farmhouse at the end of a two-mile, dead-end road? That's several power

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poles and miles of wire for one customer. My fear is the very... it's the same fear that I have with the current fascination with the deregulation of any and all markets. My fear is that there is no safeguard in this Bill. There's nothing for the small business owner. But my real fear and let me for the record say that my family has owned a heating and ventilating contracting business for almost 70 years. I have no financial interest in that business; I wish I did. I own no stock. I'm not on the payroll. I have no financial interest, but I can tell you what is already happening. These utility companies are buying HVAC companies, allowing them to use that utility's logo, which you have known and come to trust over the years, which is a valuable goodwill piece and to actually go out and compete with your friends and neighbors in the business community in the retail side of the business. Now, without any specific prohibitions of cross subsidy, if I had access... if my brother had access to the natural gas consumption records of any utility, he could tell very quickly whose furnace is inefficient, who may be in the market for a new furnace. He doesn't have access to that. His concern is, would somebody with a joint marketing arrangement with a utility, would they have access to that, then send somebody out to your house and say, we can save you 30% a month on your gas bill; let us show you how with a new energy efficient furnace. He doesn't mind competing, but he wants to compete on the most even playing field possible. And so I would be remiss; politics is politics, government is government, family is family. It has been and I think continues to be a legitimate concern for people who find that they may have to compete with a utility and all of the resources they have at their disposal. I'm old enough to

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remember when, if you went into the electric company and paid your electric bill, you got six free light bulbs and you walked through a display floor of 150 electric lamps that they would be more than willing to sell you at a good price. That stopped years ago because people in the retail business said, hey, wait a minute. We can't compete with you giving away four or six free light bulbs, if they come in and pay their light bill at the company's desk. I know it's fashionable. I know we're headed toward deregulation, but I have many, many fears about how fast we go there and what protections will be built in for the consumer, particularly... and now, if I lived in Representative Persico's district, I would have no fear of this Bill whatsoever. He's in a high population, high density, high growth area and I think, there will be plenty of competition in his area and people in his area will benefit from it. But in low population, low density population, low growth areas, we have a legitimate concern that we will not benefit from some of the advantages of a deregulated market, in fact, may end up being hurt by it. And it's for that reason, I intend to vote 'no' on the Bill."

Speaker Madigan: "Mr. Hartke."

Hartke: "Will the Sponsor yield?"

Speaker Madigan: "The Sponsor yields."

Hartke: "Representative Persico, I'd like to followup a little bit of what Representative Lang was talking about in the ICC rules and regulations as they are going to develop those to implement this legislation. I think, I heard you say that if a company meets all these rules and regulations that they are authorized to give the permits necessary for this application. Is that correct?"

Persico: "Representative, yes. As long as they meet the fina..."

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you know, if they're financially sound and meet all the obliga... other obligations that the ICC will set through... forth through their rules."

Hartke: "Yes, they're authorized, but are they required to give that application or they can... they do at will?"

Persico: "I believe as long as they meet the qualifications, you know, all the criteria that is set up including financial soundness... this Bill is designed to protect consumers from fraud and fly-by-night operations that come in. And so by going through the ICC, you know, a regulatory authority, this insures residential customers in the Nicor area, which is opening itself up to competition, that they will, you know, receive the proper services and that their companies are gonna be financially sound and able to do this."

Hartke: "So, the ICC, then, wouldn't be required to give that permit if they met all those rules and regulations?"

Persico: "Yes and that's, you know, part of it opening up the competition."

Hartke: "I listened with interest to Representative Black's comments about rural versus upstate and high density population areas. Is there any indication on what percentage of Illinois residents today use natural gas as a heating source?"

Persico: "I wouldn't have access to that... I don't know the answer to that question."

Hartke: "Okay. Thank you. I think Representative Black made some valid comments, but it's, in my opinion, not available today to many rural residents. There are no natural gas lines running out in the country that I'm aware of, except if you're along a main line, gas line, a feeder line, or something like that, well then you're... can receive this

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gas. But in my area, very few rural residential areas or farms have natural gas to heat with, most of them use propane. But Mr. Black made some valid points. I think, I'm still gonna vote for this legislation because I think it is a good concept to maybe lower utility costs for individuals to maybe head off what happened last spring and last winter in our natural gas situation here in Illinois."

Persico: "Thank you."

Speaker Madigan: "Representative Garrett."

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

Speaker Madigan: "Sponsor yields."

Garrett: "Representative Persico, when does this Bill go into effect?"

Persico: "I think it would be January 1st of 2002. What we're trying to do is pass this piece of legislation so that consumers are protected through the ICC rules; again, the same, identical language that is used for ARES or electric companies coming into Illinois. And since Nicor is opening up their markets in March of 2002, we want this legislation... hopefully will be law, by January 1st of this coming year."

Garrett: "So, if this Bill passes and the Governor signs it into law, January 2002 we'll... residents in the State of Illinois will have an opportunity to participate in a more competitive market for natural gas. How do consumers find out? How are we going to be informed about these different options that are gonna be made available?"

Persico: "Representative, I'm sure that any competition that comes into the Nicor areas, which we're talking about right now, any competition that comes in they will, through their solicitations, through their advertising, will allow or let the consumers know the choices that are out there."

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Garrett: "But aren't these different natural gas companies, are they related at all to Nicor? I mean, aren't they somehow related? They may have a different name, but isn't there a strong relationship?"

Persico: "Well, I'm sure that Nicor is gonna be competing at a very... extensively and aggressively in these areas, you know, either through an affiliated or affiliation or, you know, setting up a subsidiary. But there is gonna be many companies, hopefully through this legislation, as long as they meet the requirements and the qualifications set forth by the ICC, will give consumers a great deal of choice. Just as we are going to see... we are seeing in the electric industry now, at least in terms of businesses and we'll see more and more when residential are allowed to have choice and just as we are seeing more and more so everyday in the telephone companies, you know, in terms of long-distance and local phone calls. So, the gas will be, you know, in terms of this Bill if it becomes law, the consumer's going to get the choice that they are looking forward to at the residential level."

Garrett: "Well, my worry... I think it's a good idea. I think it's a great concept. My worry is, Representative, that the consumer won't be fully informed and it may take a very long time for them to understand that there are options for them to purchase natural gas. And I think, on the surface it really sounds good, but I think, if we don't know exactly how that information is gonna be disseminated, we have to ask what's the point of this kind of legislation. There's nothing in this legislation that I can see that points out a plan for communicating with purchasers of natural gas in the state."

Persico: "Again, Representative, competition is going to bring

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about those points that you're concerned about. I mean, if you, you know, telemarketing, I mean, in terms of answering your telephone..."

Garrett: "We're trying to do away with those telemarketing calls."

Persico: "I know. But I'm just saying that this is one way that they're going to get their message across, that consumers are going to have the choice."

Garrett: "Does he..."

Persico: "What this Bill does is insure that any company that comes in meets the qualifications that the ICC sets forth in their rulemaking process to make sure that they meet all the qualifications and they're financially sound to carry out, you know, their charges of opening up or competing in this market."

Garrett: "Well, I'm gonna support this legislation, but I think that it's really lacking in the sense that it doesn't serve the consumers by finding a way in which there is a way in which communication will take place and consumers will be able to find out. I don't know if the ICC should have a stronger role in this. I don't wanna be burdened at 6 o'clock in the evening by telemarketers, who I have no idea who they are. I think there should be some sort of program in place that let's us know what's going on and that's the argument I have with this Bill and maybe that can be changed later on. But I think, that's something we need to look at. Thank you."

Speaker Madigan: "Mr. Novak. Novak."

Novak: " Yes, Mr. Speaker, will the Sponsor yield?"

Speaker Madigan: "Sponsor yields."

Novak: "Mr. Persico, does this just... Refresh my memory here. Does this Bill just pertain to the Nicor service

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territory?"

Persico: "Yes, it does."

Novak: "It does not pertain to Peoples, in the City of Chicago?"

Persico: "My understanding is that this is just Nicor territories."

Novak: "Okay. So, for the record, the intent of this Act is that it does not require all gas companies to allow residential choice, just Nicor service..."

Persico: "No, it doesn't. But I know that Peoples Gas is in support of this."

Novak: "Okay. Has Peoples indicated or other utilities such as Illinois Power, or Cilco, that's market gas, as well, that they wanna get involved in customer choice?"

Persico: "Yeah, People... I stand corrected. Peoples territory is also included, so it's the Northern Illinois area."

Novak: "Oh, Peoples is in..."

Persico: "Illinois Power is not required. This is what your original question for legislative intent? Illinois Power is not included in this and down the road they may want to open up their territories, but they, by this piece of legislation, they don't have to. But Nicor and Peoples will be..."

Novak: "So, okay."

Persico: "... you know, competing at that... in those service areas."

Novak: "So, for the record now, 'cause we kept on referring to Nicor, but Peoples Energy is involved in this, too?"

Persico: "Correct."

Novak: "Okay. What about Cilco?"

Persico: "I believe it's just those two service areas."

Novak: "Okay. And I know some questions were raised about bundling and unbundling and cross subsidization and company

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logos and joint marketing. I think the Commerce Commission will provide through the rulemaking process ample opportunity for all varied interest groups to come forward and in a public forum indicate their concerns like they've been doing through the last 25 rulemakings since Mr. Persico and I passed the Deregulation Act five years ago. So, yes, I do have some questions about this Act, but I think this is a major step forward that we must take and with proper oversight it's our ya know, it's our responsibility and intent to make sure that we have a robust, retail, competitive market in Illinois for natural gas. So, I would support this Bill."

Speaker Madigan: "Mr. Persico to close."

Persico: "Thank you, Mr. Speaker. There are many good questions and some of them, hopefully, I answered to the best of my ability. However, let's not confuse the issue and those people that do have concerns on this Bill we've... I've stated that we are going to address these concerns in the Spring Legislative Session. However, this Bill is designed to protect consumers for the markets that are going to open in March 2002 and so it is very essential that we do pass this piece of legislation today and get it on the Governor's desk. And I ask for your support on Senate Bill 694."

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 114 people voting 'yes', 1 person voting 'no'. This Bill, having received a Super Constitutional Majority, is hereby declared passed. Mr. Clerk."

Clerk Rossi: "The Rules Committee will meet immediately in the

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Speaker's Conference Room."

Speaker Madigan: "Mr. Clerk, read House Resolution 546."

Clerk Bolin: "House Resolution 546."

HOUSE RESOLUTION 546

WHEREAS, The members of the Illinois House of Representatives offer our sincere congratulations to the 2001 Timothy Christian High School Girls Cross Country Team and Coach Dick Zylstra on their first State Championship Title; and

WHEREAS, The Lady Trojans won the Class A Team Championship with 115 points, with the aid of all-state runners Rachel Reed and Jenny Zylstra, placing four runners in the top 35; and

WHEREAS, Team members Rachel Reed, Jenny Zylstra, Jenny Loerop, Ashley Afman, Jessica Verlare, Jodi Verlare, Michelle Pruum, Stefanie LeRoy, Tami Wieringa, Christine Snoeyink, Danielle Riley, Emily Carwell, Alexandra Hegel, Kristin Raley, Hannah Wagle, and Amy Dirkse have demonstrated extraordinary determination and commitment in their quest to be the best runners in the State; and

WHEREAS, We recognize the hard work and dedication of Coach Dick Zylstra, whose leadership has inspired these young athletes to excel to record levels; and

WHEREAS, These outstanding young women have served as role models to their fellow students and have worked together as a "team" all season, encouraging and helping one another to reach their final goal; and

WHEREAS, We recognize this victory is a source of great pride to the school and the entire community, and is shared by the families and friends and the student body of Timothy Christian,

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who have supported the team all season; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we do hereby offer our congratulations to Coach Dick Zylstra and the Lady Trojans for making school history by winning their first Cross Country State Class A Championship Title in Peoria on November 3, 2001; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Coach Dick Zylstra and to the Team Members."

Speaker Madigan: "Mr. Daniels."

Daniels: "Mr. Speaker, Ladies and Gentlemen of the House, if you could just give me your attention for a few minutes and ask you to pay honor to the great Trojans, Lady Trojans Cross Country Team at Timothy Christian High School that is over my shoulder, standing up in the gallery. These ladies accomplished a great feat when these terrific young women accomplished in winning the Class A State Championship which indeed indicates a sense of honor and strong character that we can all be proud of and of course, that they can be proud of for the rest of their lives. As most of you know, I'm a strong believer that high school athletics can play a crucial role in the development of our leaders of tomorrow and that excellence in such a grueling sport as cross country is a great indication of character in a young person. Today, I'm joined in the presentation of House Resolution 546 by Representative Bob Biggins and by Representative Jim Durkin. The three of us share the great community of Elmhurst which is where Timothy Christian High School is located. These great Lady Trojans were led in their efforts by Rachel Reed's tenth place finish on the 2.5 mile course. Get this, 2.5 miles in 15

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minutes and 25 seconds. A tremendous accomplishment. Rachel, you raise your hand. This is Rachel back here. And she was followed just a second later by her teammate Jenny Zylstra. While both Rachel and Jenny have also earned all-state honors, the rest of the team was hot on their heels resulting in a State Championship for this great Class A team. You know, with all of us living in a world that is a bit uncertain after the events of September 11th, we could take solace that we have such outstanding young people who make us proud by their dedication and achievements. I particularly want to congratulate coach Dick Zylstra for the outstanding job he did in bringing a State Championship home to Timothy Christian. The coach is located and he has a proclamation in his hand, if you'd just raise that up. Ladies and Gentlemen, this is the Timothy Christian Day in the State of Illinois. So, forevermore, this will be known as Timothy Christian High School Day. And to all the Lady Trojans, with us here today, you are in fact, our heroes. We're proud of you and look forward to further great things from each one of you. God bless you. And Ladies and Gentlemen of the House, will you join me in congratulating these great champions, the Lady Trojans cross country team."

Speaker Madigan: "Mr. Clerk."

Clerk Rossi: "Rules Report. Representative Barbara Flynn Currie, Chairperson from the Committee on Rules, to which the following measure/s was/were referred, action taken on November 28, 2001, reported the same back with the following recommendation/s: 'to the floor for consideration' Senate Bill 22, Senate Bill 1264, and House Bill 3247."

Speaker Madigan: "Back on the Order of Resolutions, there's a

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House Resolution 546. And those in favor of that Resolution will say 'yes'; those opposed say 'no'. The 'ayes' have it. And the Resolution is adopted. On page 2 of the Calendar, on the Order of Senate Bills-Third Reading there appears Senate Bill 88. Mr. Clerk, read the Bill."

Clerk Rossi: "Senate Bill 88, a Bill for an Act concerning telecommunications. Third Reading of this Senate Bill."

Speaker Madigan: "Representative Moore."

Moore: "Thank you, Mr. Speaker. Senate Bill 88 does three very important things. It repeals three existing municipal taxes on telecommunications and replaces it with a simplified Municipal Telecommunications Tax Act. It also clarifies a preexisting tax on wireless telecommunications that was challenged in the Supreme Court and so thi... but had been previously taxed by the municipalities and this clarifies this also. And that it also provides a new collection... new and much more efficient collection process, for both the telecommunications industry and the municipalities. This Bill passed the Senate 51-7. It will not bring additional taxes to the consumer. It just simply simplifies and provides a more efficient way to collect the tax. I'd be happy to answer any questions."

Speaker Madigan: "The Lady has moved for the passage of the Bill. Is there any discussion? Mr. Fritchey."

Fritchey: "Speaker, for the record, I may have a potential conflict and accordingly, I'll be voting 'present' on this matter."

Speaker Madigan: "Any further discussion? There being no further 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? The Clerk shall take the record. On this question, there are 94 'ayes', 21 'noes'.

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This Bill, having received a Super Constitutional Majority, is hereby declared passed."

Clerk Bolin: "Supplemental Calendar #2 is being distributed."

Speaker Madigan: "On the Order of Senate Bills-Second Reading there appears Senate Bill 151. Mr. Clerk, what is the status of this Bill?"

Clerk Bolin: "Senate Bill 151, the Bill's been read a second time, previously. Amendment #1 was adopted in committee. Floor Amendment #2, offered by Representative Holbrook, has been approved for consideration."

Speaker Madigan: "Mr. Holbrook."

Holbrook: "Thank you, Speaker. House Amendment #2 to Senate Bill 151 becomes the Bill. The Bill prohibits the Department of Public Aid from initiating or reinstating their inspections for cost control until July 1 of 2003. This is in response to the Department's announcement that they plan to start their inspections of care again that they have not done since 1993. It's a cost-containment program that they can use. I would move for the adoption of the Amendment."

Speaker Madigan: "The Gentleman moves for the adoption of the Amendment. Is there any discussion? There being no discussion, the question is, 'Shall the House adopt the Amendment?' 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. A fiscal note and a balanced budget note have been requested on the Bill as amended, and the notes have not been filed."

Speaker Madigan: "The Bill shall remain on the Order of Second Reading. On the Order of Senate Bills-Second Reading there appears Senate Bill 1174. Mr. Clerk, take that... Mr. Clerk, what is the status of 1174?"

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Clerk Rossi: "Senate Bill 1174 has been read a second time, previously. Amendment #1 was adopted in committee. No Motions have been filed. No Floor Amendments have been approved for consideration."

Speaker Madigan: "Leave the Bill on the Order of Second Reading. Senate Bill 1264, what is the status of that Bill?"

Clerk Rossi: "Senate Bill 1264, a Bill for an Act in relation to state finances. Second Reading of this Senate Bill. Committee Amendment #1 has been adopted to the Bill. No Motions have been filed. Floor Amendment #2, offered by Representative Leitch, has been approved for consideration."

Speaker Madigan: "Mr. Leitch."

Leitch: "Number 2 sunsets the Bill and I would appreciate support."

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

Clerk Rossi: "No further Amendments."

Speaker Madigan: "Put the Bill on the Order of Third Reading and read the Bill. Mr. Leitch, the Bill cannot be called today. It has to be called tomorrow. It was only read for a second time today and so the Bill will be placed on the Order of Third Reading and will be called on Third Reading tomorrow. Senate Bill 1269, Mr. Burke. 1269. Mr. Clerk, read the Bill. Well, Mr. Clerk, what is the status of 1269?"

Clerk Rossi: "Senate Bill 1269, a Bill for an Act concerning the State Treasurer. Second Reading of this Senate Bill. No Committee Amendments. No Floor Amendments. No Motions filed."

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Speaker Madigan: "Place the Bill on the Order of Third Reading.

Is Representative May in the chamber? Did you wish to call your Motion on Senate Bill 326? The Lady indicates she does not wish to call the Motion. Representative Shirley Jones."

Jones, S.: "Mr. Speaker. I would just like to thank the Secretary of State for putting the metal detectors in with the security down there. You know, I had that Bill for many of years to put the metal detectors in, so I would just like to thank the Secretary of State. Thank you."

Speaker Madigan: "Mr. Novak."

Novak: "Yes, Mr. Speaker. I'd like to know where they're at. Can you tell the Body where they're located?"

Speaker Madigan: "I wouldn't know. Representative Jones."

Jones, S.: "Mr. Novak, if you will look in the officers that sat when you come in, they do have... Yeah, try comin' in without your ID and have a gun on you and when they swipe you, you'll know where the metal detectors is."

Novak: "Thank you, Miss Jones."

Clerk Rossi: "The Rules Committee will meet at 2:50 in the Speaker's Conference Room. The Rules Committee will meet at 2:50 in the Speaker's Conference Room."

Speaker Madigan: "Mr. Clerk for an announcement."

Clerk Bolin: "A Committee schedule's being distributed for this afternoon. The Tourism Committee will meet at 4:00 in Room D-1. The Executive Committee will meet at 4:00 in Room 118. Personnel & Pensions Committee will meet at 4:00 in C-1. Revenue Committee will meet at 4:00 in Room 114. And Session will resume at 4:30 p.m."

Speaker Madigan: "Mr. Clerk. Mr. Clerk."

Clerk Bolin: "Committee Report. Representative Barbara Flynn Currie, Chairperson from the Committee on Rules, to which

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the following measure/s was/were referred, action taken on November 28, 2001, reported the same back with the following recommendation/s: 'direct floor consideration' for House Resolution 556 and Senate Joint Resolution 42."

Speaker Madigan: "Representative Currie."

Currie: "Thank you, Speaker. During the lull, I hope the House will join me in welcoming former Republican State Representative Susan Catania who is just finishing up a term as state president of the Illinois chapter of the American Association for Retired Persons. Susan is a good buddy to many of us on the House Floor. And do join me in giving her a good, round hand."

Speaker Madigan: "Ladies and Gentlemen, if I can have your attention for just a few moments. The plan of the Chair is to stand in recess until 4:30 to permit committee hearings at 4:00. And for Democrats, the previously announced briefing by Senator Cullerton relative to the anti-terrorism Bill, will occur immediately in Room 114. So, there had been a notice distributed indicating that Senator Cullerton would do the briefing immediately after Session; rather, it'll happen right now in Room 114. So, with all of that, the House will stand in recess until 4:30. Thank you. The House shall come to order. Mr. Clerk."

Clerk Rossi: "Committee Reports. Representative Holbrook, Chairperson from the Committee on Tourism, to which the following measure/s was/were referred, action taken on Wednesday, November 28, 2001, reported the same back with the following recommendation/s: 'be approved for consideration' a Motion to Concur with Senate Amendment #1 to House Bill 3017. Representative Murphy, Chairperson from the Committee on Personnel & Pensions, to which the

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following measure/s was/were referred, action taken on Wednesday, November 28, 2001, reported the same back with the following recommendation/s: 'be adopted' Floor Amendment #2 to Senate Bill 1174. Representative Burke, Chairperson from the Committee on Executive, to which the following measure/s was/were referred, action taken on Wednesday, November 28, 2001, reported the same back with the following recommendation/s: 'be adopted' a Conference Committee Report #1 to House Bill 3247. Representative Lyons, Chairperson from the Committee on Revenue, to which the following measure/s was/were referred, action taken on Wednesday, November 28, 2001, reported the same back with the following recommendation/s: 'be adopted' Floor Amendment #10 to Senate Bill 22."

Speaker Madigan: "On page 2 of the Calendar, on the Order of Senate Bills-Second Reading there appears Senate Bill 1174. Mr. Clerk, what is the status of the Bill?"

Clerk Rossi: "Senate Bill 1174 has been read a second time, previously. Committee Amendment #1 has been adopted to the Bill. No Motions have been filed. Floor Amendment #2, offered by Representative Hannig, has been approved for consideration."

Speaker Madigan: "Mr. Hannig."

Hannig: "Yes. Thank you, Mr. Speaker and Members of the House. This is the framework for the proposal to address the... the downstate retired teachers health-care program. The committee heard testimony and they approved the Amendment 9 to 1. At this time, perhaps, if we would adopt the Amendment, I'd be happy to answer questions on Third Reading, or if Mr. Speaker wishes, I could do it now. But I'd certainly move for the adoption of the Amendment."

Speaker Madigan: "The Chair would suggest that we adopt the

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Amendment and then take questions and discussion at Third Reading. Those in favor of the Amendment say 'yes'; those opposed say 'no'. The 'ayes' have it. The Amendment is adopted. Are there any further Amendments?"

Clerk Rossi: "No further Amendments."

Speaker Madigan: "Put the Bill on the Order of Third Reading. The Chair recognizes Mr. McGuire."

McGuire: "Thank you, Mr. Speaker. Just briefly, a point of personal privilege. I'd like to introduce to the Body the large crowd in the gallery, former Representative LeRoy Van Duynes is here from Joliet to visit."

Speaker Madigan: "LeRoy, it's not the same without you. Mr. Clerk, on Senate Bill 1174, read the Bill for a third time."

Clerk Rossi: "Senate Bill 1174, a Bill for an Act concerning government employee benefits. Third Reading of this House Bill... this Senate Bill."

Speaker Madigan: "Mr. Hannig."

Hannig: "Yes. Thank you, Mr. Speaker and Members of the House. When we left this last May, we knew that we had a crisis with the downstate retired teachers health-care program. We made some efforts to address that crisis in May, but in the end we came to the conclusion that we would use the summer to try to find a consensus and then come back and address the problem in the Veto Session. So, we met over the summer, Representative Dale Righter represented the House Republicans, I was the Representative from the House Democrats and we came through a process where we now have this proposal which I believe is not opposed by any organized group, at least, not that I'm aware of. And let me, real briefly, talk in terms of what it will do. For the retirees, there would be no further increases in their

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premiums in this year. There would be a cap next year at 10% and the following year at 12%. For the active teachers who are presently paying a half a percent payroll tax, they will be asked to increase that contribution January 1st of 2002, to .65 and to .75 in fiscal year '04. School districts will be asked to make a payroll tax contribution of .4% effective January 1st of the year 2000, however, for the first 18 months of this 30-month program, they will be given a credit on the amount of money that they owe to the pension system, based on what they contribute to the health-care system. So, there's an offset involved, so there would be no net increased cost to school districts for the first 18 months. Their contribution school districts will increase to .5% in fiscal year '04. The state will continue to match the contributions that the teachers make and we will add an additional \$2 million this year in an effort to catch up for what has been an underestimation on the part of the state. So, we'll make a \$2 million contribution and a five-year catch up. We will create a task force for the purpose of looking for a permanent solution. No one is suggesting that this is anything more than a 30-month solution and in fact, the language that we are voting on here today, should it become law, will actually sunset in 30 months. So, the task force will have an opportunity and actually, will be required to bring back a new proposal to this Assembly, to the General Assembly, sometime in the next 30 months to be enacted upon by that future group, by a future General Assembly. There's also a reporting of the numbers from TRS to the retired teachers and the other groups just so that everybody can have access to the information on the cost. So, that's the general outline of what we have. It's

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agreed to by the retired teachers, by the IEA, the IFT, the School Alliance has come neutral on the Bill and so, at this point, I'm not aware of any opposition. I'd be happy to answer any questions. And I'd move for passage of the Bill."

Speaker Madigan: "Mr. Brunsvold."

Brunsvold: "Thank you, Mr. Speaker. Will the Gentleman yield?"

Speaker Madigan: "Sponsor yields."

Brunsvold: "Representative Hannig, two questions for legislative intent. This legislation is temporary and designed to provide a way for TRP to survive through two... FY2004 or sooner, if a permanent solution is found for the funding. Is that correct?"

Hannig: "Yes, that's correct, Representative."

Brunsvold: "Is it the intent of this legislation that the Department of Central Management Services meet with the board of the Teacher's Retirement System no later than April 15th of each year to present the elements of and the method of computation of the rates for FY2003 and 2004 for TRP?"

Hannig: "Yes, that is also correct, Representative Brunsvold."

Brunsvold: "Thank you, Mr. Hannig."

Speaker Madigan: "Mr. Hoeft."

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

Speaker Madigan: "Sponsor yields."

Hoeft: "Again, I don't know if that was covered by Representative Brunsvold's statement, but I would like to go on record. We have in the Constitution that once a pension entitlement is granted it cannot be removed. Is this a pension benefit?"

Hannig: "No, Representative. This is a health-care plan, so it has nothing to do with the constitutional requirement

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dealing with pensions."

Hoeft: "So, therefore, it can be changed to either increased or decreased as needs are seen in the future?"

Hannig: "And in fact, the legislation we're about to vote on will sunset in 30 months and so by its very nature, it will expire."

Hoeft: "Okay. Let me go through again, so that you have the essence of this Bill. The teachers' association, the teachers' union, IFT/IEA are for this. The Management Alliance, and this is important to all of you; your school districts went neutral on this. So, if they come back a year and a half from now and say, whoa, wait a minute, this is an unfunded mandate, understand, they did not put an opposition slip in. The pension system, TRS, did not have the ability to meet and therefore, take a position on that, so therefore, they could not put a slip in. But the Management Alliance is neutral; the teachers are for this. This is a \$40 million reduction in the amount of money going into TRS. TRS, at this point, is at 59% funding ratio. That is very close to critical. This will be, in theory, replaced over the next 44 years, but it is a terrible public policy decision, I think, on our part to begin to increase the mount of funding over a 44-year period in order to pay for a program that we are gonna implement today. I intend to vote 'no' on this because I am responsible for protecting the teachers' pensions. And I think, that this... once we start down this path of removing amounts of money that districts and the state are going to contribute... it is a very, very slippery path and we are right now not in a very good funding ratio with the TRS system. I think it is also very bad public policy to create a temporary solution one more time. Why don't we

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sit down and come up with a solution? We had a whole summer to do this and yet we come to this particular point in an emergency and say, hey, we gotta meet the needs of these teachers, so we're gonna put this patchwork together, and that's exactly what it is. It is a two-and-a-half-year Band-Aid. I intend to vote 'no' on this because I think it's good public policy to make sure that it is a permanent solution, not a temporary one."

Speaker Madigan: "Mr. Novak."

Novak: "Thank you, Mr. Speaker. The Sponsor yield?"

Speaker Madigan: "Sponsor yields."

Novak: "Mr. Hannig, I'm kinda generally familiar with this plan, but I just asked ya... I wanna ask you a question. One, what is the commitment from local government from the school districts?"

Hannig: "From the school districts?"

Novak: "Yes."

Hannig: "They will be asked, as of January 1st of next year, of 2002, to make a contribution of .4% based on payroll. However, they will receive an offset for the first 18 months against the contribution that was owed to the pension system. So, they'll make a contribution to... They'll increase... they'll make an increased contribution, a new contribution, to the health-care system. They'll make a reduced contribution to the pension system. The net effect for the first 18 months out of this 30-month program will be that school districts will have no new costs."

Novak: "Well, then how do they... Okay, I understand that. That's a little creative financing here. How do they... Then how do they make up this offset on the pension contribution?"

Hannig: "So, the State of Illinois, we passed and you were here

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in 1994, I believe..."

Novak: "Right."

Hannig: " ... a 50-year amortization program..."

Novak: "Right."

Hannig: " ... based on the unfunded liability."

Novak: "That was Mr. Granberg's Bill, I think."

Hannig: "I believe that Representative Granberg was the Sponsor of that. And this... there's, I believe, around 44 years left. So, each year we look at the unfunded liability and we look at the ramp as we move into the 50 years and we make a contribution to the pension system. So, this will increase the amount of contribution that the state will have to make into the pension system in order to offset ..."

Novak: "Okay."

Hannig: " ... the numbers which..."

Novak: " ... okay."

Hannig: " ... are not coming in from the local district."

Novak: "So, this was a proposal by IASB? Did this proposal come from the school boards?"

Hannig: "The school boards..."

Novak: "'Cause they were opposed to this..."

Hannig: "They were opposed to the Bill until this provision..."

Novak: "Okay."

Hannig: " ... this offset became part of the Bill."

Novak: "'Cause they're in the middle of their fiscal year..."

Hannig: "Right."

Novak: " ... right now."

Hannig: "They would be..."

Novak: "They can't levy for any more money."

Hannig: "They thought it was unfair that they should be getting... begin to pay a payroll tax in the middle of the

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school year where they've already adopted..."

Novak: "Okay."

Hannig: " ... a budget. And we agreed and we gave them this window where they'll have 18 months to get their..."

Novak: "Okay. I understand."

Hannig: " ... house in order."

Novak: "One quick question. The premiums for the TRP... individuals... I know there's no premium increase next year for them, correct? When do their..."

Hannig: "No."

Novak: " ... premiums begin to rise?"

Hannig: "The... There's no additional increases this year."

Novak: "This year."

Hannig: "Remember there..."

Novak: "Calendar year?"

Hannig: "There was this... In fiscal year '02..."

Novak: "Okay."

Hannig: " ... remember there was this fear..."

Novak: "Right."

Hannig: " ... Should we do nothing..."

Novak: "Correct. I know that."

Hannig: " ... and then they say... they may have seen an 80%..."

Novak: "Okay."

Hannig: " ... increase."

Novak: "So, July 1 of '03 they start goin' up?"

Hannig: "It'll be capped at 10%."

Novak: "Capped at 10%."

Hannig: "It could be less, but it will be no more than 10% and in '04 it will be capped to 12%."

Novak: "Okay. No benefits... Were there any other benefits reduced under this plan that the retirees currently enjoy?"

Hannig: "There were some other small changes where we increased

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the indemnity plan prescription, the copay to the same as what the state has and we increased the indemnity plan deductible from 200 to 250 and the lifetime maximum benefit will gradually increase from 1 million to 2 million, but those are relatively minor changes."

Novak: "Okay. Thank you very much."

Speaker Madigan: "Mr. Osmond."

Osmond: "... you. Will the Sponsor yield, please?"

Speaker Madigan: "Sponsor yields."

Osmond: "Representative Hannig, when we look at the economic and fiscal report, it shows all of the negative ending balances. With these premium changes not kicking in until 2003, what do you estimate the ending balances in these funds to be?"

Hannig: "Well, I have a printout and the... If we had done nothing, there would have been a significant negative ending balance in the system, but my calculation, which was provided by Central Management Services, shows that if we pass this proposal, there should be a small ending balance, about a 1.3 or so million dollar ending balance in the system at the end of FY02. And that will grow to..."

Osmond: "The number's I'm... The number's I'm looking at from economic and fisc estimated it to be a negative about \$37 million, so this plan that goes through somehow is gonna generate approximately \$38 million of revenue? If I'm understanding it correct..."

Hannig: "I'm not certain of the number, but the CMS, who actually administers the program, the statistics that they gave to us indicates that at the end of FY02, with these adjustments that we're contemplating here, that they will end with a small positive balance, about 1.3 million, which will grow to 7.2 million and then up to a higher number in

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'04."

Osmond: "So, they feel that with those premium increases of... capped at 10 and 12 percent that they're going to continue to increase and to give surplus to this fund with those premium changes?"

Hannig: "Well, the state... Yeah. The school districts will make a contribution which is a new contribution, so that's money that had never been in the system before, plus the school teachers, not only will their payroll taxes go up because they'll probably get raises and it's based on a percentage, but there'll be more teachers in all likelihood, and they'll be making a higher contribution. So, the amount of money that the school teachers will contribute will go up and then the state will match that. In addition, we've agreed to put in an additional \$2 million a year over the next five years."

Osmond: "Did... Was there discussion at all as to what they expected the medical inflation rate to be or the... the inflation on prescription drugs to be over the next couple or three years?"

Hannig: "I'm not certain what CMS actually estimated over the next few fiscal years, but frankly, I think that they're well aware that inflation is really the fundamental problem that we've had in this program. The costs of health care have gone up in double digits and the contributions are basically going up in single digits. And you know, you can see how the programs can get out of whack real quick."

Osmond: "For discussion purposes today and over the last couple to three years, I keep getting asked by retired teachers that they should be considered as state employees. Does this Bill address that issue and are they considered employees of the State of Illinois?"

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Hannig: "This does not make them state employees and it makes only some very minor changes in the benefits that they receive which are significantly different from, and in most cases less than, what state employees get."

Osmond: "It's also my understanding that the options that the retired teachers have... There's several different plans that they can choose from with various benefits. And let's just say, a rich plan to a more restrictive managed care plan, depending upon what part of the state that you're in. It's also my understanding that this, basically, treats all of the plans in the same way where everybody's gonna get a 10% increase. Did... Was there any discussion in there as to the amount of increase that actuarially should be put forth for maybe Plan 1 which has rich benefits and maybe not as many cost controls on 'em, as opposed to say Plan 5, which might be a strictly managed care program which, in my opinion, would not have generated the same increase in premiums? Was that discussed at all?"

Hannig: "Well, I think that CMS looked at a number of proposals and in fact, I think they would be willing to make changes that makes sense. The... But in the end, this program has a cap of 10% and 12%. Hopefully, if we don't see inflation that high, we would see less of an increase, but clearly at least there's a cap for our retired teachers in the out years. The... You know, there would be a significant cost to the State of Illinois to go from the benefit structure that currently exists to making these people full-fledged state employees and frankly, we're struggling just to fund what they have now. So, I think it's..."

Osmond: "I agree with you."

Hannig: "... it's really not something we can do, today."

Osmond: "No, I agree with you on that, Representative. But one

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of the things though, that I think should have been considered and perhaps, the next... the task force can do that, is that the people that are in the most strict of the managed care areas probably did not incur the same kind of rate increase as those in the less managed care field. And I think that those people that enrolled in the more managed care plans are, in fact, gonna be supplementing those people that are in the richer plans because I don't think that the losses or the rate increases would be as high in that, and I think that that's an issue that should be looked at, you know, next time around. The other thing that it's my understanding is that they didn't have the freedom to really go in and look at plan designs and that they were under some kind of an agreement to only look at certain parts of the plans and I think that that should be changed and they should be see... they should see all of the options. And if you're in Plan 1, which has gotta full indemnification plan, there ought to be options in there for a 500, a thousand, maybe a \$2500 deductible and let those teachers, retired teachers, choose the plan that they want so they can manage their premiums a little bit better. And I think we'll see a better leveling. I think that 10, 12%... there's nothing out there in the medical area that suggests that the inflation rate is gonna drop anything lower than what it's been cruising at. And currently at 17, 18% in health care and over 20% in prescription drugs, so the 10 and 12% had to be a negotiated rate and probably not based on much of an actuarial assumption in there. I agree with Representative Hoeft that we really are looking at a temporary solution to this and I would suggest to our task force next time, that they look at all of the plan design changes that might be necessary to give more

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flexibility to the retired teachers. I'm also concerned that some of the pension money that's going in there to provide pension for all of the retired teachers, that's supplementing the health plan again and not all retired teachers are in the health plan. So, those that are not in the health plan are basically helping again, subsidize the plan it's perhaps they're detriment in the pension area. And I agree, this is a real serious problem. And thanks for your help on it, but I think that these numbers are just gonna get worse and worse and worse with the 10 and 12% rate increase, although we are getting the other money from the schools, so... That's all the questions I have. Thank you."

Speaker Madigan: "Mr. Jerry Mitchell."

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

Speaker Madigan: "Sponsor yields."

Mitchell, J.: "Representative Hannig, the increase for the active teachers is .15. Is that... that's effective immediately?"

Hannig: "It... Yeah, it goes from... No, it goes from .50 to..."

Mitchell, J.: "From .50 to .65."

Hannig: "And that's effective January 1st of 2002."

Mitchell, J.: "Okay. So, and everybody in here understands that that increase will probably, on January 2nd, 2002, will be passed on to the local school districts through negotiations which happen almost immediately and did when we put the half percent in. So, there is gonna be a cost to the local school district and I don't have a problem with that simply because we've gotta do something and we understand that, you know. Are they state employees or are they not state employees is really immaterial. The fact of the matter is, is that we're also facing a very severe crisis when it comes to the number of teachers we're gonna

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need over the next five years. If we don't have some kind of a benefit package for our active teachers, something they can look at at the end of their career, and have something to help them, we're not gonna get the best and the brightest in education. We may not get anyone. We're having a difficult time competing with private business now. I certainly agree with my colleague, Representative Hoeft, that we should have a permanent solution, but as much work as I've done in the education area, I realize how hard that is to get a permanent solution immediately. Everything boils to a head and we have to deal with it. Hopefully, by sunseting this in 30 months, we will then get a lot of activity from all of those groups that have a vested interest and we will come up with a permanent solution. I think the Teacher's Retirement Fund, because of what the General Assembly has done recently, is strong enough to survive this. Very few teachers that have retired are not in this plan right now, only those that are... may be married and their spouse has private insurance or they finally qualified for Medicaid which some have, but those that need it the worst probably didn't pay in. So, this is probably the best that we can do at this time, and I certainly commend you for the work that you've done on this, Gary and certainly stand with you. Thank you."

Speaker Madigan: "Mr. Black. Black. Mr. Black."

Black: "Thank you very much, Mr. Speaker. I apologize for being on the phone. Sponsor yield?"

Speaker Madigan: "Sponsor yields."

Black: "Representative, I'd like to go back to something that Representative Hoeft said earlier. I was here, as were you, when we made the agreement that we would, I think,

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correct me if I'm wrong, over a 40-year period we would take appropriations to the Teachers' Retirement System off budget in other words, not subject to our appropriation. Whatever the actuarials told us, we then put that money in the pension system working toward a reasonable level of funding in relation to liabilities. Now, I think we're what, six years into that?"

Hannig: "Yeah. I believe we passed that in '94, and so '95 was the first year. So, that's correct."

Black: "If I understood one of the questions Representative Hoeft raised earlier, are we in danger of changing that agreement? Are we... Does this in any way endanger our... the law that we passed saying, whatever money is required actuarially for the Teachers' Retirement System will be off budget and put into that account?"

Hannig: "That is not changed by this Bill. They would... The only thing that will happen differently is to the degree that school districts will contribute less, because of this offset the State of Illinois will be out to contribute more. But in the end, we'll get to the same point, Representative, where we'll have a, I believe, 90% actuarially sound system."

Black: "All right. And I appreciate the work that you've done on this and the remarks of our colleagues and I know there will probably be others to come. One of the... I'm sure, Gary, excuse me, Representative, I'm sure you have seen this background report put out by the Teachers' Retirement Insurance Program. It's very, very useful. And I think one of the things we need to focus on as to why we may be in this crisis, there are 6500 teachers in this system over the age of 80. My guess is, is that they use a considerable amount of health-care units that the insurance

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program pays for. Now, I've had people call me and say, well, now, wait a minute, some of that is offset by Medicare. Now, unless something's changed, when I taught we did not contribute to Social Security, because we were in a recognized pension plan and I left the classroom in the late 60s. But I doubt that most of these retired teachers are on Medicare. Do we have any way of getting that number? Unless they were able to work in the summer or what have you, many of these are not eligible for any Medicare benefits, as I understand it. If I'm wrong, I'd like to be corrected."

Hannig: "No. I think, Representative, for those people in that age bracket, that's clearly the case and that is part of the problem."

Black: "Another thing that we have been told and yet nobody can pin down for us, is that if we don't do something there will be people in this older age demographic whose monthly annuity will be less than their insurance premium. Now, you've been in this negotiations, is that a true statement?"

Hannig: "It potentially could be. We're looking about an 80% increase in the premiums on January 1st if we go... if we walk out of here today and tomorrow and take no action in this matter. So, 80% increases are very significant and clearly for those people who have small annuities, it could very well, you know, surpass what they're actually being paid by the pension system."

Black: "All right."

Hannig: "So, I don't know specifically how many, Representative, but I suspect that there are a number of people that would fall into that category."

Black: "All right. Then I guess, from what I've heard in the

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discussion, the School Management Alliance what I... you and I remembered as the Illinois Association of School Boards, if I heard correctly, they are 'neutral' on this Bill because of the delay in their contribution. Is that... That's correct, right?"

Hannig: "Yes. In the committee hearing that we just held earlier, they signed in as 'neutral'."

Black: "Then I'm going to assume the active teachers, who also will pay an additional contribution, the folks who represent them have also said that this is okay or we are 'neutral' as well, correct?"

Hannig: "Yes. The IEA and the IFT signed on as proponents of the Bill."

Black: "Okay. Representative, I'll ask you a hypothetical and I don't know that you can answer it. But I think what many of us are concerned about, there is a sunset; it's not that far out."

Hanning: "So, we're asking..."

Black: "This would be a very difficult Bill to vote against. I mean, there are some concerns that I have, as I'm sure you do, knowing the budget as well as you do. Will we continue... will your task force continue to meet and try to find a solution to this in the next 30 months, rather than come back, you know, four months before it sunsets where we're faced with another critical mass and put another Band-Aid on this issue? And quite frankly, I'm not sure where we would put another Band-Aid on it."

Hannig: "Well, Representative, it's gonna be a bigger task force than actually met on this. But clearly, the intention is that they should begin meeting as quickly as possible, that they should look at the wide range of options, and then they should come to some consensus and bring that to us and

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give us some time to digest it. One of the problems we had over the summer was, you know, if we go to a new, comprehensive program, can we, you know, can we digest that and make all those changes in the short time that we have in the Veto Session. And the feeling was, we probably cannot. So, we went to a short-term solution with the idea that we would look for a long-term solution and clearly put the sunset on so that everybody knows that this is a short-term solution. We created a group for the purpose of finding a long-term solution and we hope that they can, they must."

Black: "Well, the challenges of a reapportionment year, I don't know how many of us or if any us, will be back. But assuming that we are, I have certainly found you to be a man of your word and I think all of us who will be sworn in in January of 2003 understand that this cannot be put on the back burner for any considerable period of time. We can't go from crisis to crisis in this system. It isn't fair to those who gave 40 years of teaching to our children and quite frankly, we just had a summit on trying to attract people into the education field. Well, if they continue to read about their retirement health insurance program, that's certainly not an incentive to attract the best and brightest into the teaching profession. I thank you very much for the work that you and the Members of your committee have done on this. And I think the challenge is that we need to begin work quickly to come up with a solution five, ten, fifteen years, hopefully, down the road, where we just don't lurch from crisis to crisis. And again, thank you for the work you've done on this issue."

Speaker Madigan: "Representative Slone."

Slone: "Thank you, Mr. Speaker. Will the Gentleman yield?"

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Speaker Madigan: "Sponsor yields."

Slone: "Mr. Hannig, actually Mr. Black asked many of the questions that I had, but I do have one that I don't think has been addressed yet. And that is, if there is a 10% increase in monthly premiums, to the retired members, can you say how approximately how many dollars of increase that would be for an individual retired teacher per month?"

Hannig: "It... I don't have that figure, I'm sorry. I could get it for you and share it with you privately..."

Slone: "Okay."

Hannig: "... or with anyone else who wants to see it."

Slone: "I think that... I think our retired teachers are going to want to know that number."

Hannig: "But, the retired teachers' group has signed on to the proposal. They were part of the negotiations. I think everybody recognizes that we have a problem, that we all have to give a little bit in order to make it happen. The retired teachers have given, the active teachers have given, the state has given, the school boards have given, and that's how we were able to put this together."

Slone: "I appreciate that and I thank you. And I would have one other question which is whether this commission or task force is going to address another issue Mr. Black touched on, which is the fact that, you know, the actuarial situation with so very many of the retired teachers being of an advanced age, whether we're allowing appropriately for in our estimates, of what the lifespans of these people are, post-retirement?"

Hannig: "Well, there were... I mean, there were a number of ideas out there that were much more comprehensive than this, but unfortunately, we didn't feel that we had the time to actually flesh out all the details of those programs and

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come back and ask the General Assembly to digest those things in a short period of time. So, I'm optimistic that the task force, once it gets up and running, and hopefully very quickly it can do that, they can start looking at these much more comprehensive approaches."

Slone: "Thank you very much."

Speaker Madigan: "Mr. Hannig to close."

Hannig: "Well, thank you, Mr. Speaker and Members of the House. When we left this Body in May, we knew that we had a crisis, we knew that we would come back during the Veto Session and we hoped that we would have a solution. Now, we met over the summer, we looked at a number of comprehensive solutions that were on the table. We came to the conclusion that it was probably in the best interest of all parties to try to hammer out a short-term solution and create a mechanism to find a long-term solution. That's what this Bill does. It's a 30-month solution to the problem and as I said earlier, everyone is expected to contribute something to that solution; the active teachers, the retired teachers, the school boards, the State of Illinois will all be contributing some amount of money into the program and we will be creating a mechanism to find a long-term solution. So, I think, under the circumstances, knowing full well that if we adjourn tomorrow without a solution that we're gonna see a 80% increase in health-care premiums from our retired teachers, it seems to me that this is the solution that we need to adopt today. So, I would ask that all Members join me and that we pass this back to the Senate for their concurrence."

Speaker Madigan: "The Gentleman moves for the passage of the Bill, those in favor signify by voting 'yes'; those opposed by voting 'no'. Have all voted who wish? Have all voted

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who wish? Have all voted who wish? The Clerk shall take the record. On this question, there are 112 people voting 'yes', 4 people voting 'no'. This Bill, having received a Constitutional Majority, a Super Constitutional Majority, is hereby declared passed. Mr. Clerk, what is the status of Senate Bill 22?"

Clerk Bolin: "Senate Bill 22, the Bill's been read a second time, previously. Amendment #8 has been adopted to the Bill in committee. Floor Amendment #10, offered by Representative O'Brien, has been approved for consideration."

Speaker Madigan: "Representative O'Brien, Amendment #8, 10. Amendment #10 to Senate Bill 22."

O'Brien: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. This measure that has encompassed in Amendment #10 to Senate Bill 22 is nearly identical to the provision provided in Senate Bill 713 that this House adopted last spring. And what it does is it allows for a tax abatement for a newly-constructed base-load electric generating station. In order for the taxing districts to qualify for this kind of an incentive, the districts has to have an assessed valuation for the year 2000 as equalized by the Department of Revenue that is at least 15% less than its assessed valuation for the year '99 and they have to have a majority vote of its governing authority. The abatement of the taxes may not exceed 20 years, so long as the assessed valuation of the newly-constructed base-load engineer... electrical generating station is equal to or greater than \$150 million. The abatement may not exceed, over the 20-year term of the contract, 3 1/2% of the taxing district's aggregate taxes from the newly-constructed base-load plant. What this provision allows for is to help the area around Coal City in Grundy County, Illinois,

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attract industry. Because of the taxing mechanism in Grundy County most industrial businesses are not attracted to that community because they continue to tax on machinery and equipment as real property. This allows for this company to come in and be competitive. All the taxing districts that are involved have agreed to this legislation. Like I said, it is identical in almost all respects to Senate Bill 713 which this Body passed last spring. And I'd be happy to answer any questions."

Speaker Madigan: "Mr. Black."

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

Speaker Madigan: "Sponsor yields."

Black: "Representative, Floor Amendment #10 becomes the Bill. I can read that. You're absolutely certain that this is all that will be on this Bill. Is that your intent?"

O'Brien: "Yes."

Black: "All right. When I first read this, forgive my ignorance, but when you talk about a base... I can't even find it now. A base electric plant... A newly-constructed base-load, I thought maybe that meant something that was on an abandoned military base, obviously, from your remarks, that isn't it. I'm not familiar with the term. What is a newly-constructed base-load electric generating station?"

O'Brien: "The difference between base-load and what are called 'peaker' plants is that it would generate electricity on a continuous basis. It isn't just during peak times. It will be continuous generation of electricity, is my understanding, Representative Black."

Black: "All right. So, this will then be as... Will it be coal-fired or natural gas-fired or..."

O'Brien: "Gas-fired, is my understanding."

Black: "All right. But it's actually going to be an electric

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generating plant that will operate or could operate 24/7 around the calendar. So, it is not a 'peaker' plant?"

O'Brien: "No."

Black: "I think this may be the newest electric generating plant built in the State of Illinois for about the last 30 years. I'm not sure a base-load plant has been built here."

O'Brien: "I don't know. I know that in Grundy County it would be the first industrial growth in at least 25 or 30 years."

Black: "Okay. Now, I did hear you say that the impacted taxing bodies have agreed to the abatement."

O'Brien: "Correct."

Black: "That includes all impacted school districts, municipalities, townships, road districts, anybody who would rely on property taxes, has agreed to the abatement?"

O'Brien: "The three that are gonna qualify for the abatement is the Coal City School District, the Fire Protection District, and the Library District are the three that are gonna... that had to come to this agreement, they are the ones that have their assessment dropping by that level."

Black: "All right. The county did not participate or were not asked to participate?"

O'Brien: "The county has endorsed this legislation and they are one of the chief proponents and they are the ones... actually, it was the school district and the county board chairman who brought the idea for this legislation to me. As a result of deregulation, because there is a nuclear power plant located in Grundy County, this district, this school district, has lost a tremendous amount of assessment and even though we've tried to work out some legislation down here that would help them out, basically, the message was, go home and find alternatives yourselves. And this school district took it upon themselves to negotiate with

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this company and got all the other units of government behind them to make sure that everybody was in agreement and this is the culmination of that."

Black: "All right. So, I'm still not certain that I understand you. Will... This is in the county of Grundy, correct?"

O'Brien: "Correct."

Black: "Is Grundy County also abating their portion of the real estate tax?"

O'Brien: "Yes."

Black: "Okay. I noticed you have a... some language in here on an escape clause. In other words, if this plant were to close for whatever reason, they must repay any of the abated taxes to those districts and that is your intent?"

O'Brien: "Correct."

Black: "I defer to your legal expertise. If they go bankrupt, is there a way to get money that the taxing bodies desperately need, all throughout the state, to those entities through a bankruptcy proceeding?"

O'Brien: "They would be, you know, just like any other government body. They would be a creditor and that would be up to the administrator in the bankruptcy proceeding that there were enough liquidated assets that they would provide those to the taxing districts. They would just come online as a secured creditor, it would be my understanding. And this also provides that if the assessed valuation ever drops below a hundred and fifty million dollars, the abatements no longer apply."

Black: "All right. I think that's very important because if you read in the Springfield newspaper this morning, the motel property out on the east side of town sought a significant reduction in their assessment which I believe, if I read the article correctly, would have had about a \$400 thousand

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impact on the Springfield school system. They were not successful in that appeal to lower their assessment. So, you're telling me, if this company a year or two into operation decides, wow, this is a little, you know, we don't want this kind... this high EAV. If they come in and ask for a reduction in their assessed valuation, then they will lose their abatement agreements."

O'Brien: "Correct."

Black: "Well, it appears to me you've thought just about... that you've thought pretty much about everything, even the language, and I think I know what your intent is. It says, the authorization of taxing districts, the contract expires on January 1, 2002. That's just so that you don't create an opening for a 'peaker' plant, who might meet this EAV, to seek the same kind of abatements elsewhere in the state. Is that the reason for that?"

O'Brien: "That's right."

Black: "All right. Fine. Thank you very much."

O'Brien: "Thank you."

Speaker Madigan: "Mr. Novak."

Novak: "Yes. Thank you, Mr. Speaker. I don't have any questions for the Sponsor. I just want to rise in strong support of this legislation. It's not any... There isn't any type of... are any provisions in this Bill that one could characterize as a tax give away or a corporate welfare or however you wanna characterize it or put it in its perspective from your... from someone else's position? I just want to point out that since the deregulation law was enacted in 1998, when it went into effect, there has been thousands... there have been thousands of megawatts of new generation built in this state preparing us for the opening of the retail market in January of 2005. This is another

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indication of the commitment that out-of-state and even some in-state utilities and independent power producers in their commitment to making sure that we have a robust wholesale market. This is gonna provide hundreds, probably many more, construction jobs for Grundy County and for more energy for the State of Illinois. So, in all, we should support it. There's been literally billions of dollars spent in Illinois for construction purposes since the Act was enacted for new generation in Illinois. And I would ask my colleagues to support it."

Speaker Madigan: "Representative O'Brien to close."

O'Brien: "I would just urge adoption of Amendment #10."

Speaker Madigan: "Those in favor of the Amendment, say 'yes'; 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. Mr. Clerk, read the Bill."

Clerk Rossi: "Senate Bill 22, a Bill for an Act concerning education. Third Reading of this Senate Bill."

Speaker Madigan: "Representative O'Brien."

O'Brien: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. Senate Bill 22 would provide for a series of tax abatements to allow the Coal City School District or an area in Grundy County to provide the right economic climate for a company to come in and construct a base-load electric generating facility with an assessed valuation in excess of a hundred and fifty million dollars. You heard the debate on the Amendment and last spring on Senate Bill 713. I'd be happy to answer any questions. And I would urge an 'aye' vote."

Speaker Madigan: "The Lady has moved for the passage of the Bill. Those in favor signify by voting 'yes'; those opposed by

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voting 'no'. Have all voted who wish? Have all voted who wish? The Clerk shall take the record. On this question, there are 111 people voting 'yes', 5 people voting 'no'. This Bill, having received a Supermajority... Constitutional... This Bill, having received a Supermajority Constitutional Majority, is hereby declared passed. Senate Joint Resolution 42, Mr. Giles."

Giles: "Thank you, Mr. Speaker and Ladies and Gentlemen of the House. Senate Joint Resolution 42 allows us to disapprove some of the following mandate that is requested. This Bill was sent over by the Senate. These waivers requested to be disapproved were initiated in the Senate and in order for these waivers to be disapproved, the House must agree. And I'm asking for a favorable vote to disapprove the following waivers."

Speaker Madigan: "The Gentleman moves for the adoption of the Resolution. There being no discussion, the question is, 'Shall the House adopt this Resolution?' The Chair recognizes Mr. Black. Mr. Black."

Black: "Oh, I'm sorry, Mr. Speaker. I don't even know what's in the Resolution. I can't bring it up on the computer, primarily, because I don't know how. It might be on there for all I know, but I don't have a paper copy. And the reason I simply raise the question, I know two school districts in my legislative district had waiver requests and had called me and written me and I don't know if they're included or not. Well, they're not on here. Does that mean they were eliminated? Well, that answers this. Now, an inquiry of the Chair, Mr. Speaker, seriously. I can't remember. If you don't want to approve the waivers, you vote 'yes' or you vote 'no'? If you're voting in opposition to any of these waivers on this Resolution, how

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do you vote?"

Parliamentarian Uhe: "Representative Black, on behalf of the Speaker in response to your inquiry, a 'yes' vote would disapprove the waiver; a 'no' vote would support the waiver."

Black: "I appreciate that, counselor. I think what has confused some of us, this waiver is to disapprove one, two, three, four, five, six requests for waivers. So, if you don't... if you agree with this... See, this is what's so confusing, I think, about this Bill, initially. This Resolution is not to approve a waiver request made by a school district; this Resolution is saying, the Body disapproves of the following five requests. And so if you have one of these school districts... all right."

Speaker Madigan: "Mr. Black, we're gonna take this out of the record for a minute."

Black: "Okay."

Speaker Madigan: "On Supplemental Calendar #3 there appears House Resolution 556, Mr. Joe Lyons."

Lyons, J.: "Thank you, Speaker, Ladies and Gentlemen of the House. I present for your approval House Resolution 556 which is a result of about 20, 25 of us Legislators who were invited to the City of Chicago's 911 center, on West Madison Street, a week ago Monday. We were all very impressed and truly proud of the arrangements that had been made by the Chicago Fire Department, the police department, our board of health, even secretary... Director of Security for the State of Illinois, Matt Bettenhouse (sic-Matt Bettenhausen), was there and we were truly impressed. All of those who were there and those of you who haven't been there, it's a trip. I'm sure if you wanted to attend, the City of Chicago would be glad to accommodate you. But in

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the course of our discussion, after being there for an hour or so and taking the tour in a roundtable, we were told that FEMA, the federal... acronym... the Federal Emergency Management Assoc... Agency has 28 immediate respond areas, what they call urban search and rescue teams, scattered out throughout the United States. There's eight of 'em in California, there's some in Boston, New York, throughout the Southwest and the South, but nothing within 2 or 300 miles of the City of Chicago or the northwest part... north part of the State of Illinois. So, many of us were concerned that with all the federal funding and all the federal programs that are gonna be coming down the road to increase security and awareness and catastrophic prevention that we should certainly have Chicago and the State of Illinois and the greater metropolitan area speak with one voice that we would like to be included on the next wave of programs that are added. The closest one to the metropolitan area of Chicago is in Indianapolis or somewhere out in central Missouri. So, I would propose that we... in fact, I'd like to add everybody as a cosponsor on this thing, 'cause it's to the benefit of the entire State of Illinois, both parties, that we have a, what they call, the Urban Search and Rescue Team which is part of the FEMA Program, established somewhere in the part of Illinois. And I'd certainly appreciate your unanimous support for this. Be happy to answer any questions."

Speaker Madigan: "The Gentleman moves for the adoption of the Resolution. Those in favor say 'yes'; those opposed say 'no'. The 'ayes' have it. The Resolution is adopted. On page 3 of the Regular Calendar there appears House Resolution 515, Mr. Schoenberg. 515."

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

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the House. First, if I could ask the Clerk, Representative Coulson's name should be on there, as well. I'd just urge everybody to help support... to help congratulate the Winnetka Community House on their 90th anniversary. They provide many fine services. And I hope you support this. Thank you."

Speaker Madigan: "The Gentleman moves for the adoption of the Resolution. Those in favor say 'yes'; those opposed say 'no'. The 'ayes' have it. The Resolution's adopted."

Clerk Rossi: "...tion Members. The Rules Committee will meet immediately in the Speaker's Conference Room."

Speaker Madigan: "Senate Joint Resolution 42, Mr. Giles."

Giles: "Thank you, Mr. Speaker. Senate Joint Resolution 42, Waivers of School Code Mandates. Representative... What this does is disapprove six waivers that some of the school district has asked for. Every other waiver that is listed is not disapproved. That mean it will be disapproved. A 'yes' vote on this Bill means that every waiver will be approved except for the six waivers that's in my hand and I will briefly go over these six. Five of the waivers are dealing with substitute certificates and one of the waivers is dealing with statements of affair. So, the previous question that you asked, Representative Black, one of the requests of your school waiver, it will be granted once we vote 'yes' on this particular Resolution."

Speaker Madigan: "Mr. Black."

Black: "Mr. Speaker, I'm still not sure that the Sponsor didn't perhaps misspeak. He said if you vote 'yes' for this Resolution, you are approving their waiver request. If you vote 'yes', you are denying the waiver request made by six school districts. I think it's very important that every Member understand that. If you vote 'yes' for the

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Resolution, there are six school districts listed in this Resolution whose request for a waiver, whatever that is: P.E., Driver ED, substitute teacher days, is being denied. So, I mean, and that's fine, that's our responsibility under a law we passed some time ago, in a weak moment, I think. But be that as it may, I don't want anybody on either side of the aisle to go home and call one of these six school districts and say, I was with ya, I was with ya, I helped ya and then the school district is gonna call you in a day or two and say, wait a minute, you voted against my request for a waiver of a mandate. So, Representative Giles's Resolution is denying six school districts the waiver that they asked for and we've done this. I just wanted to make sure because generally we get into approval of waivers. This is a disapproval. I just, again, I think sometimes we don't pay attention and then we wanna... the record to reflect later we should have voted this way or that way. Just so we're all on the same page and so you don't get yourself crossways with some of the school districts back home."

Giles: "Representative Black, you are 100% correct. To vote 'yes' on this Resolution means that these particular six... six waivers requests will be disapproved, will not be approved. And once again, the six are, five of 'em are dealing with substitute certificate, one is dealing with statement of affairs. And that is correct. I think we're all on one accord. And I ask for a favorable adoption of this Resolution."

Speaker Madigan: "Mr. McCarthy."

McCarthy: "Mr. Spea... Thank you, Mr. Speaker. Will the Sponsor yield for one question?"

Speaker Madigan: "Sponsor yields."

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McCarthy: "Representative Giles, I just printed the legal description of this Senate Joint Resolution and I was listening to my friend from Danville's questions. Have you had a legal opinion on whether this two paragraphs adequately does what you're hoping to have done here today?"

Giles: "Representative, I've just been informed that there's an error dealing with the computer. I believe, we're talking different issues here."

McCarthy: "Is the Resolution we're voting on, the legal description of that Resolution, two paragraphs long or more than that? Oh. I brought something that's not on the computer."

Giles: "Truthfully, Representative, I don't..."

McCarthy: "I think that the new document that has just been brought to me by staff adequately describes the denial of these waivers."

Giles: "Sure."

McCarthy: "And that... So, if people are looking at their computer screen under legislation, the document that's under there makes absolutely no sense. So, I appreciate the staff bringing this over to me, but I think all of the Members of the Assembly should be understanding that what's on their computer screen is not what we're voting for under legislation."

Giles: "Sure."

Speaker Madigan: "Mr. Novak. Representative Garrett. Garrett. Representative Garrett."

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

Speaker Madigan: "Sponsor yields."

Garrett: "Representative Giles, I do represent Lake Bluff and I have a question about the Lake Bluff waiver that is in

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here. Can you hear me? Representative Giles, I do have a question about one of the waivers that's listed in here, it's for the Lake Bluff public schools, having to do with substitute teachers. I'm assuming that what they're asking for is... are more days for substitute teaching and that. Can you give me any of the specifics of that? This is the first time I've seen it."

Giles: "Yes, Representative, and such as all of the other substitute certificate waivers that was requested. It appears that all of the substitute waivers are being denied at this particular time. This is the... this is what the Senate sent over. Your particular substitute certificate waiver, it allows the district to employ substitute teacher for more than 90 days in one school due to illness and maternity leaves. And for some reason, the Senate decided it was best at this particular time to deny that waiver."

Garrett: "You know, I didn't hear what you said. Just could you repeat what that is for again, unless, I can look at it?"

Giles: "Representative Garrett, there were five substitute certificate waivers that was asking for to be approved, all five were denied. For some reason, the Senate wants to stay consistent with denying these waivers. The particular waiver that was requested from your school district, once again, the substitute teacher... they wanted to employ substitute teachers for more than 90 days. Each one of these waivers that had that particular language were denied. And for some reason, at this particular time, all the substitute certificate waivers were denied."

Garrett: "Okay. Let me just understand how this works. I sit on the Education Committee with you. I've... Representative Giles..."

Giles: "Representative Garrett, I've just been informed that I

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believelast year, I believe, we passed a law in which allows substitute teacher to have these waivers of substitute teachers, but it was a sunset of three years on that particular waiver. And I believe this one is asking for five years, and so therefore, it was denied."

Garrett: "Okay. If they came back and resubmitted their waiver for three years versus the five years, most likely then it would be acceptable?"

Giles: "I believe... I believe... Yeah. That is current law. So, they would not have to request because it is current law, currently."

Garrett: "Okay. Thank you."

Speaker Madigan: "Representative Monique Davis."

Davis, M.: "Thank you, Mr. Speaker. Will the Sponsor yield? Representative Giles, I do apologize for perhaps taking you over some things you've already been over, but would you tell us exactly what this waiver covers? Now, I mean, it has... it doesn't ha... excuse me... it doesn't have any P.E. waivers, right?"

Giles: "Representative Davis, that is correct."

Davis, M.: "All right. There are no P.E. waivers which means all the districts that requested P.E. waivers would have them approved."

Giles: "Representative Davis, that is correct."

Davis, M.: "Okay. So, any district who decided their children were not important enough to have physical education they will be able to do that and perhaps lend to the factor that those children might become ill because of a lack of exercise during the school day."

Giles: "Representative Davis, with your beliefs and my belief, unfortunate, that is correct. This is an initiative that was brought forth from the Senate and it lands here in the

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House, unfortunate, that is correct."

Davis, M.: "Yeah. I understand and Representative..."

Giles: "And Representative Davis, I just want to let you know that, hopefully, in the future, we can propose some language that will try to rectify this situation."

Davis, M.: "Yeah. I really think it's important for us who are deemed to, perhaps, make good legislation, to see to it that the children of the State of Illinois are given physical education because it is important for their physical development and their good health. Representative Giles, will you tell us what is in this Bill in reference to substitute teachers?"

Giles: "Representative Davis, in the Resolution here, what we're doing is disapproving, we are not approving, five of the substitute certificate waivers."

Davis, M.: "Okay."

Giles: "We are not approving and that's what this Resolution is about."

Davis, M.: "All right. Earlier this year, I think, we passed a Bill that allowed some districts to keep a substitute in a class for a hundred and twenty days rather than 90 days. We increased it to 120. So, that's the end of that. No district will be able to keep a teacher, who is a substitute, longer than a hundred and twenty days. Is that correct?"

Giles: "Representative Davis, that is... that's not correct."

Davis, M.: "That's not correct. Okay."

Giles: "The, the waivers that we have before us that's been not approved or disapproved states, that a substitute teacher cannot substitute for more than 90 days."

Davis, M.: "Okay. So we're reducing it, back to 90?"

Giles: "Representative Davis, that is correct."

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Davis, M.: "Okay. I think that's a good thing, because we really shouldn't have people who have degrees in art teaching physics and we shouldn't have people who have degrees in music teaching math. We should have people who are teaching on their certificate. If they were issued a certificate to teach math, that's what they should teach. If they were issued a certificate to teach English, that's what they should teach. And we shouldn't have people who decide they want to work for three days a week or two days a week that for this year you can work a whole year even though you have a primary certificate, you're gonna teach an upper grade class for a whole year. So we... we're not gonna let that happen, right?"

Giles: "Representative Davis, that is correct and let me clarify that voting 'yes' on this Resolution will disapprove of any substitute certificate wavier, whether it'd be more than 90 days or 120 days, not any will be approved."

Davis, M.: "What is your recommendation, that we vote 'yes' on this Resolution?"

Giles: "Representative Davis, that is correct. If we change one dot to this Resolution, then therefore all of the waivers will be approved."

Davis, M.: "Okay, I understand. So we should... in this Body we should all vote 'yes' on this particular Resolution."

Giles: "Representative..."

Davis, M.: "And most of the things that the state has passed as law will remain in effect."

Giles: "Representative Davis, that is correct."

Davis, M.: "Thank you, Mr. Chairman."

Speaker Madigan: "Jerry Mitchell."

Mitchell, J.: "Thank you, Mr. Speaker. Representative Giles, I believe that the legislation passed... the House Bill

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passed allows substitutes to teach now for 120 days, that is the current law, as signed by the Governor. So, the five of the six waivers are moot, because the law changed how long a substitute can teach. Now the sixth waiver, and that's everything left is one district that wanted to not publish tax levies in the paper which would have saved them about \$600. The Press Association was opposed to this. We've denied this waiver before, so pure and simple the six waivers that are gonna be denied, we've dealt with before and a 'yes' vote will deny those waivers and that's the way it should be. Thank you."

Giles: "That is correct, Representative."

Speaker Madigan: "Mr. Giles to close."

Giles: "Thank you. I just ask for the adoption of the Resolution. Thank you."

Speaker Madigan: "The Gentleman moves for the adoption of the Resolution. Those in favor signify by voting 'yes'; those opposed by voting '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 101 people voting 'yes', 14 people voting 'no'. The Resolution is adopted. Mr. Novak."

Novak: "Thank you, Mr. Speaker. Ladies and Gentlemen of the House, I rise for the purpose of just a brief announcement. I know there's a little lull here, but I realize we have one more day of work to do before we embark on a holiday season with our families and friends and circulate petitions. But I would like to point out, one of our friends on the Democratic side of the aisle has... that's been here nearly 10 years, has taken it upon himself to take a walk down that aisle of love and companionship and he's gonna get married at the end of the year. So I would

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like to congratulate... no... I would like to congratulate our good friend, Representative Jack McGuire, who's getting married on New Year's Eve. Congratulations Jack."

Speaker Madigan: "Clerk for an announcement. Please listen to the Clerk. Mr. Clerk."

Clerk Rossi: "A committee schedule for tomorrow morning has been passed out. The following committee's will meet at 8:30 in the morning. The Executive Committee in Room 118, the Judiciary-II Criminal Law Committee in Room 114."

Speaker Madigan: "Chair recognizes Representative Lindner."

Lindner: "Thank you, Mr. Speaker. The Republicans would request a caucus immediately after adjournment."

Speaker Madigan: "Mr. Black."

Black: "Mr. Speaker, due to the lateness of the hour, the Lady's request for a caucus, I think is in violation of Rule 49. I'm joined by at least ten people on my side of the aisle, say we can caucus in the morning. But I... Mr. Speaker, I do have a legitimate inquiry of the Chair. Depending on what rumor one wants to believe, we are leaving tomorrow; we are not leaving tomorrow, could the Chair enlighten us as to what the Chair's intent is? Are you intending that we adjourn tomorrow as we are scheduled to do, or is there some indication we may come back on Friday morning?"

Speaker Madigan: "Mr. Black, the plan is to adjourn tomorrow."

Black: "Thank you. Mr. Speaker, could you also perhaps give us an indication when we might get the Calendar for 2002, a date that is fast approaching?"

Speaker Madigan: "Mr. Black, you probably know that there are some difficult negotiations under way with the Senate on schedule. So..."

Black: "Oh, I see. Well, I'm sure that you will enlighten us as soon as you are able to do."

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Speaker Madigan: "We all know what it's like to work with the Senate."

Black: "Right. Mr. Speaker, you'll... I'll not be drawn into that trick bag. I enjoy working with them and look forward to it everyday."

Speaker Madigan: "I can volunteer that it didn't change much back in 19... what was it, 1993, it didn't change much. Representative Hamos."

Hamos: "Mr. Speaker, this is an announcement to Members of COWL. If you are interested in reviewing the budget cuts and would like to have a discussion, we're going to meet at 9:00 a.m. in Room M-1, if you're interested, 9:00 a.m. tomorrow morning, M-1."

Speaker Madigan: "Any further? There being nothing further, Representative Currie moves that the House stands adjourned until 9:30 a.m. tomorrow morning, 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 9:30 a.m. tomorrow morning, providing perfunctory time for the Clerk."