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Speaker Lyons: "The House will come to order. Members should be at their desks. Members and guests are asked to please refrain from starting their laptops, their cell phones, or their pagers, their BlackBerrys and rise for the invocation and the Pledge of Allegiance. We'll ask our guests in the gallery to join us for the Pledge and the invocation. We shall be led in prayer today by the Reverend Ray Banner who is the Pastor of the First Congregational United Church of Christ in Grayslake, Illinois Reverend Banner is the guest of Representative Tryon."

Reverend Banner: "Good afternoon. Let us be together. Oh Holy infinite source of love, mercy, justice, righteousness, we come to You now in a spirit of openness and hope. As we enter this new day of work, receive once again our unending thanksgiving for all Your gifts, so richly and freely given. For the wonder and mystery of human life, for our home on Earth, and for the awesome leadership opportunities that are ours. Amidst confusions and competitions beset by detail and routine, burdened by the anxieties and perplexities of the day's work, we name Your name God of all. Not as a curse, not as an idle word, not in vain, but seeking a blessing, that we may recover a sense of our place in Your vast design, a sense of contribution our busyness makes to human welfare. Enable all who serve this fine state to desire rightly and to be of use in their service of others. Be with this Assembly in its work. Grant them the wisdom to create what is essential for the common good. Keep within each of us and each of their hearts a love for the cause of human

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- welfare and a dedication to enrich the lives of all people. Guide them in their labor to maintain and strengthen their public lives. Fortify them with all the energy, imagination, and love they need. And remind them, and each of us, to be good stewards of the gift of life. This we ask in the many names by which You are known, amen."
- Speaker Lyons: "We'll be led in our Pledge of Allegiance by Representative Jack McGuire."
- McGuire et al: "I pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all."
- Speaker Lyons: "Roll Call for Attendance. Representative Bost."
- Bost: "Thank you, Mr. Speaker. Let the record reflect all Republicans are present and we were ready to work an hour ago, we were ready to work… now we're ready to work now, too and we're glad to be here."
- Speaker Lyons: "Thank you, Representative. Leader Barbara Flynn Currie."
- Currie: "Thank you, Speaker. Please let the record reflect that Representative Patterson is excused today."
- Speaker Lyons: "Thank you, Representative. Mr. Clerk, take the record. There's a 117 Members present. We have a quorum and ready to do the work of the State of Illinois. Representative Jerry Mitchell."
- Mitchell, J.: "Thank you, Mr. Speaker. I just wanted the Body to know that somebody ordered a pizza and it's sitting back

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there and if you know the rules of the House, another 3 minutes and it's going to be gone."

Speaker Lyons: "Thank you, Representative. Mr. Clerk, Committee Reports."

"Representative Barbara Flynn Clerk Mahoney: Chairperson from the Committee on Rules, to which the following legislative measures and/or Joint Action Motion were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: 'approved for floor consideration' is a Motion to Concur with Senate Amendments 1 and 2 to House Bill 1011, a Motion to Concur in Senate Amendments #1 to House Bill 1019, a Motion to Concur in Senate Amendment #1 to House Bill 1080, a Motion to Concur to Senate Amendment #1 to House Bill 1301, a Motion to Concur in Senate Amendments 1 and 3 to House Bill 1319, a Motion to Concur in Senate Amendments 1 and 2 to House Bill 1330, a Motion to Concur in Senate Amendments 1 and 2 to House Bill 1499, a Motion to Concur in House Amendment #1 to House Bill 3463 and a... 'recommends be adopted' Amendments 2 and 3 to Senate Bill 336. Representative Jakobsson, Chairperson from the Committee on Human Services, to which the following measure/s was/were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: 'do pass Short Debate' is Senate Bill 544; 'recommends be adopted' is House Resolution 398 and House Resolution 426 and House Joint Resolution 67. Representative Smith, Chairperson from the Committee on Elementary & Secondary Education, to which the following measure/s was/were referred, action

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taken on May 30, 2007, reported the same back with the following recommendation/s: 'recommends be adopted' is House Resolution 384, 'recommends be adopted' House 396, House Resolution 450, House Resolution 64, and House Joint Resolution Resolution Representative McAuliffe, Chairperson from the Committee on Veterans' Affairs, to which the following measure/s was/were referred, action taken on May 30, 2007, reported same back with the following recommendation/s: adopted' is House Resolution 375. 'recommends be Representative Howard, Chairperson from the Committee on Computer Technology, to which the following measure/s was/were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: 'do pass Short Debate' is Senate Bill 380. Representative Beiser, Chairperson from the Committee on Aging, to which the following measure/s was/were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: 'recommends be adopted' is Senate Joint Resolution 43. Representative Scully, Chairperson from the Committee on Electric Utility Oversight, to which the following measure/s was/were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: 'do pass as amended Short Debate' is Senate Bill 1299. Representative Hoffman, Chairperson from the Committee on Transportation & Motor Vehicles, to which the following measure/s was/were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: 'recommends be adopted' is

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Resolution 439. Representative May, Chairperson from the Committee on Environmental Health, to which the following measure/s was/were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: be adopted' is 'recommends House Resolution Representative Lang, Chairperson from the Committee on Judiciary I - Civil Law, to which the following measure/s was/were referred, action taken on May 30, 2007, reported back with the following recommendation/s: same 'recommends be adopted' is a Motion to Concur in Senate Amendment 1 to House Bill 574 and Floor Amendment #3 to Senate Bill 435. Representative Saviano, Chairperson from the Committee on Registration & Regulation, to which the following measure/s was/were referred, action taken on May 2007, reported the same back with the following recommendation/s: 'recommends be adopted' is a Motion to in Senate Amendment #3 to House Bill Concur 1423; 'recommends be adopted as amended' is House Resolution 416. Representative Bradley, John, Chairperson from the Committee on Revenue, to which the following measure/s was/were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: 'do pass as amended Short Debate' is Senate Bill 13; 'recommends be adopted' is Floor Amendment #1 to Senate Bill 1544. Representative Franks, Chairperson from the Committee on State Government Administration, to which the following measure/s was/were referred, action taken on May 2007, reported the same back with the following recommendation/s: 'recommends be adopted' is House Joint

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Resolution 55, House Resolution 391, House Resolution 406, Resolution 412, House Resolution 413, House Resolution 414, House Resolution 424, House Resolution 436, House Resolution 451, House Resolution 457, and House Resolution 459. Representative Burke, Chairperson from the Committee on Executive, to which the following measure/s was/were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: pass as amended Short Debate' is Senate Bill 153, Senate Bill 194, Senate Bill 531, Senate Bill 546, Senate Bill 574, Senate Bill 662, Senate Bill 1305, Senate Bill 1327, Senate Bill 1511, and Senate Bill 1617; 'do pass Short Debate' is Senate Bill 4, Senate Bill 66, Senate Bill 489, Senate Bill 647, Senate Bill 1370, Senate Bill 1481, and Senate Bill 1704. Representative Boland, Chairperson from the Committee on Financial Institutions, to which the following measure/s was/were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: 'recommends be adopted' is Floor Amendment #2 to Senate Bill 1674. Representative Scully, Chairperson from the Committee on Electric Utility Oversight, to which the following measure/s was/were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: 'recommends be adopted' is Floor Amendment #4 to Senate Bill 1592. Referred to the House Committee on Rules is House Resolution 44, offered by Representative Mautino. House Resolution 47, offered by Representative Yarbrough. House Resolution 490, offered by Representative Poe. House

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- Resolution 491, offered by Representative Pihos. And House Resolution 492, offered by Representative Coulson."
- Speaker Lyons: "Ladies and Gentlemen, our first order of business this morning will be a Death Resolution for a former employee of the State of Illinois. Mr. Clerk, we have House Resolution 238 which is in memory of Doris Laucik, who was a former staffer for Governor Otto Kerner, for Governor Sam Shapiro, and later in life, for Speaker Madigan. Mr. Clerk, House Resolution 238."
- Clerk Mahoney: "House Resolution 238, offered by Speaker Madigan.
  - WHEREAS, the members of the Illinois House of Representatives are saddened to learn of the death of Doris N. Laucik of Bloomingdale; and
  - WHEREAS, Doris Laucik retired as secretary and office manager for the Democrat Leadership Office in the State of Illinois Building in Chicago in 1983; and
  - WHEREAS, Doris Laucik served under Speaker of the House Michael Madigan, and former Speakers William Redmond and John Touhy; and
  - WHEREAS, She began her career in 1958, serving in the Quincy office of former U.S. Representative George Shipley; she went on to work in the offices of former Illinois Governors Kerner and Shapiro and former U.S. Representative Sidney Yates; and
  - WHEREAS, She was a lifetime and loyal member of the Democratic Party in Illinois; and
  - WHEREAS, Doris N. Laucik is survived by her children, Susan (Richard) Bloss and Lynn (John) Sakellarides; her

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- grandchildren, Richard (Laura) and Jonathan (Anna) Bloss and Alexis and Theo Sakellarides; and her great-grandchildren, Joseph, James, and Emily Bloss; therefore, be it
- RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-FIFTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we mourn, along with her family and friends, the passing of Doris Laucik; and be it further
- RESOLVED, That a suitable copy of this resolution be presented to the family of Doris Laucik as a symbol of our sympathy."
- Speaker Lyons: "We are joined in the gallery, on the Democratic side, by Mrs. Laucik's daughter, Lynn and Susan, grandson Theo and granddaughter Alexis. And I'll ask for a moment. Thank you very much. Ladies and Gentlemen, on the Order of Third Readings, on page 6 of the Calendar, Representative Patti Bellock has Senate Bill 133. Representative Bellock? Read the Bill, Mr. Clerk."
- Clerk Mahoney: "Senate Bill 133, a Bill for an Act concerning public health. Third Reading of this Senate Bill."
- Speaker Lyons: "Chair recognizes the Lady from DuPage, Representative Patti Bellock."
- Bellock: "Thank you very much, Mr. Speaker. This is Senate Bill 133. This requires IDPH (Illinois Department of Public Health) to implement a policy to distribute mercury-free influenza vaccines to children under age three (3), who are in the federal program, Vaccines for Children, participants, as long as the supply is available. This is not a mandate, it's just providing... creating a policy to provide information to doctors and health care

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- professionals on mercury-free influenza vaccines. I don't know of any opposition."
- Speaker Lyons: "Is there any discussion? Seeing none, the question is, 'Should Senate Bill 133 pass?' All those in favor signify by voting 'yes'; those opposed vote 'no'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, take the record. On this issue, there's 117 Members voting 'yes', O voting 'no'. This Bill, having received the Constitutional Majority, is hereby declared passed. On page 18 of the Calendar, under Senate Bills-Second Readings, Representative Mendoza has Senate Bill 829. Status of the Bill, Mr. Clerk?"
- Clerk Mahoney: "Senate Bill 829 has been read a second time, previously. No Committee Amendments. No Floor Amendments. No Motions filed."
- Speaker Lyons: "Third Reading. Mr. Clerk, read Senate Bill 829. Representative Mendoza."
- Clerk Mahoney: "Senate Bill 829, a Bill for an Act concerning local government. Third Reading of this Senate Bill."
- Speaker Lyons: "Chair recognizes the Lady from Cook, Representative Susana Mendoza."
- Mendoza: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. Senate Bill 829 removes the Board of the Cook County Department of Corrections. Currently, the department has a five-member board which makes policy recommendations. One of their jobs is to select three people that the Board would nominate for the director position and then the Cook County Sheriff would appoint one

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- of those three people to the position, currently. What this Bill would do is it would eliminate the five member board. It would allow for the sheriff to go ahead and select... nominate his own person of his choice and then, with the consent and approval of the entire seventeen members of the Cook County Board, go ahead and have that person approved. Every other chief executive officer has the ability to select their own director. This... the only thing this does is make it consistent with the Sheriff's Office as well. So, I would ask for your support. And I know of absolutely no opposition to this Bill. Thank you."
- Speaker Lyons: "Is there any discussion? Seeing none, the question is, 'Should Senate Bill 829 pass?' All those in favor signify by voting 'yes'; those opposed vote 'no'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Dave Winters? Mr. Clerk, take the record. On this Bill, there's 117 Members voting 'yes', 0 voting 'no'. This Bill, having received the Constitutional Majority, is hereby declared passed. Mr. Clerk, on page 8 of the Calendar, Representative Reboletti has Senate Bill 705. Read the Bill, Mr. Clerk."
- Clerk Mahoney: "Senate Bill 705, a Bill for an Act concerning criminal law. Third Reading of this Senate Bill."
- Speaker Lyons: "The Chair recognizes the Gentleman from DuPage, Representative Dennis Reboletti."
- Reboletti: "Thank you, Mr. Speaker, Members of the House. Senate Bill 705 creates the new offense. This is... it's unlawful possession of a prescription form. In the past

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there's been some confusion by prosecutors and law enforcement as to what to charge when they find somebody in possession of prescription forms. It's a crime that is on the rise where the people possess these forms, they go to Wal-Mart or Walgreen's, they write their own scripts. And there's issues with trying to prosecute these people correctly, having prosecutors know where to find this in the Criminal Code. What this Bill also does is offer first-time offender probation for the people that have these addictions, to have them try to work it out. And I'd be willing to entertain any questions."

- Speaker Lyons: "Is there any discussion on Senate Bill 705?

  Seeing none, the question is, 'Should Senate Bill 705

  pass?' All those in favor signify by voting 'yes'; those opposed vote 'no'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, take the record. On this Bill, 117 Members are voting 'yes', 0 voting 'no'. This Bill, having received the Constitutional Majority, is hereby declared passed.

  Mr. Clerk, what's the status of Senate Bill 835?"
- Clerk Mahoney: "Senate Bill 835 has been read a second time, previously. No Committee Amendments. No Floor Amendments. No Motions filed."
- Speaker Lyons: "Third Reading. Read the Bill, Mr. Clerk."
- Clerk Mahoney: "Senate Bill 835, a Bill for an Act concerning local government. Third Reading of this Senate Bill."
- Speaker Lyons: "The Chair recognizes the Representative from Rock Island, Representative Pat Verschoore. Mr. Clerk, take that Bill out of the record on the request of the

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Sponsor. Mr. Clerk, once again, the status of Senate Bill 835."

Clerk Mahoney: "Senate Bill 835 has been read a third time."

Speaker Lyons: "Representative Verschoore, you're for sure?"

Verschoore: "Thank you very much, Mr. Chairman, and Ladies and Gentlemen of the Assembly. This Bill is... or the Bill I passed earlier, 410, it's the Bill by which it's a front door referendum where the people of the county, any county in the state except Cook County, can vote on a up to a 1 percent sales tax and that money would be used for any kind of school renovations, constructions, purchasing of power, any life-safety only, no teachers' salaries, or anything like that. And I'd be glad to answer any questions."

Speaker Lyons: "Is there any discussion? Seeing none, the question is, 'Should Senate Bill 835 pass?' All those in favor signify by voting 'yes'; those opposed vote 'no'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative Beaubien and Graham? Mr. Clerk, take the record. On this Bill, there are 74 Members voting 'yes', 41 Members voting 'no'. This Bill, having received the Constitutional Majority, is hereby declared passed. Mr. Clerk, on Senate Bills-Second Reading, on page 15 of the Calendar, Representative Sacia has Senate Bill 65. What's the status of the Bill, Mr. Clerk?"

Clerk Mahoney: "Senate Bill 65 has been read a second time, previously. Amendment #1 was adopted in committee. No Floor Amendments. No Motions filed."

Speaker Lyons: "Third Reading. Read the Bill, Mr. Clerk."

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- Clerk Mahoney: "Senate Bill 65, a Bill for an Act concerning public employee benefits. Third Reading of this Senate Bill."
- Speaker Lyons: "The Chair recognizes the Gentleman from Winnebago, Representative Jim Sacia."
- Sacia: "Thank you, Mr. Speaker. Ladies and Gentlemen of the House, Senate Bill 65, the Committee Amendment actually becomes the Bill and it is a Bill that deals with law enforcement pensions, allowing law enforcement officers with time in other agencies to buy into their existing agency. The Amendment was brought to me by Speaker Madigan and I'm very proud to bring it to the House. I'd be glad to answer any questions."
- Speaker Lyons: "Is there anyone seeking discussion? The question is, 'Should Senate Bill 65 pass?' All those in favor signify by voting 'yes'; those opposed vote 'no'. The voting is open. Have all voted who wish? Have all voted who wish? Representative Berrios, Toni? Representative Berrios? Mr. Clerk, take the record. On this Bill, there are 117 Members voting 'yes', 0 voting 'no'. This Bill, having received the Constitutional Majority, is hereby declared passed. Representative Cole, for what purpose do you seek recognition?"
- Cole: "Mr. Speaker, thank you. I'd like to be recorded as a 'yes' on Senate Bill 835, please."
- Speaker Lyons: "The Journal will so reflect, Representative.

  Representative Pihos, for what purpose do you rise?"

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Pihos: "Yes. I'd like to be recorded as a 'yes' on Senate Bill 835."

Speaker Lyons: "The Journal will so reflect, Representative.

Thank you. Representative Sullivan, for what purpose do you rise?"

Sullivan: "I want to just say ditto to the previous speaker."

Speaker Lyons: "Pardon me, Representative?"

Sullivan: "I would like to be recorded as a 'yes' vote on Senate Bill 835."

Speaker Lyons: "The Journal will so reflect. Mr. Clerk."

Clerk Mahoney: "Rules Committee Report. Representative Barbara Flynn Currie, Chairperson from the Committee on Rules, to which the following legislative measures and/or Action Motion were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: 'approved for floor consideration' Amendment #2 to House Bill 2135, Amendment #2 to Senate Bill 8, Amendments 1 and 2 to Senate Bill 82, Amendment #1 to Senate Bill 158, Amendment #1 to Senate Bill 434, Amendment #4 to Senate Bill 435, Amendment #1 to Senate Bill 677, Amendment #1 to Senate Bill 659, Amendment #2 to Senate Bill 1201. Correction. Amendment #1 to Senate Bill 689, Amendment #3 Senate Bill 1746, Amendment #2 to Senate Resolution 9. On the Order of Concurrences, a Motion to Concur in Senate Amendment #1 to House Bill 133, a Motion to Concur in Senate Amendment #1 to House Bill 254, a Motion to Concur in Senate Amendments 1,2, and 3 to House Bill 804, a Motion to Concur in Senate Amendment #1 to House Bill 811, a Motion to Concur to Senate Amendment #1

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- to House Bill 1670, a Motion to Concur in Senate Amendment #1 to House Bill 3091, and a Motion to Concur in Senate Amendments 1 and 2 to House Bill 3490."
- Speaker Lyons: "Clerk, what's the status of Senate Bill 1380 on page 19 of the Calendar?"
- Clerk Mahoney: "Senate Bill 1380 has been read a second time, previously. Amendment #1 was adopted in committee. No Floor Amendments. No Motions filed."
- Speaker Lyons: "Third Reading. Read the Bill, Mr. Clerk."
- Clerk Mahoney: "Senate Bill 1380, a Bill for an Act concerning public employee benefits. Third Reading of this Senate Bill."
- Speaker Lyons: "The Chair recognizes the Gentleman from Cook, Representative Bob Molaro."
- Molaro: "Thank you, Mr. Speaker. This does two things: it brings the Chicago Police Department equal with the Chicago Fire Department and every other fund. Chicago Police Department, right now, if you... if you're retired and you're married and the police... retired police officer dies, the spouse gets 50 percent. With the Chicago Police Department, if the spouse remarries, they lose the entire 50 percent. That only happens with the Police Fund. This brings it in to the twenty-first century and allows that. It... it also does... there are two (2) minor provisions for two (2) police people, one is a Cook County police officer who was in the downstate pension system. This allows him to transfer up to Cook County, but they pay for everything, no cost to the state, no cost to the county; and there's also an IMRF that used to work for the City of Chicago and

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it's just the opposite way, but he pays for everything and there's no cost to the state or city. No opposition. All the funds all for this particular piece of legislation."

Speaker Lyons: "The Chair recognizes the Gentleman from Crawford, Representative Roger Eddy."

Eddy: "Thank you very much. Will the Sponsor yield?"

Speaker Lyons: "He indicates he will."

Eddy: "Representative, very quickly. I think I heard it but I wasn't 100 percent sure. This is absolutely internal to the costs... it would be internal to the Chicago system?

There are no downstate pension system encumbrance?"

Molaro: "Right. There would... Well, funny you should bring that up. There was a downstate Bill that this was part of, but they took it out and it's Chicago only. There's some other one for downstate that's still floatin' around and I don't know where that's going or... 'cause it has to do with the widows and spouses, but are for the downstate. This is strictly Chicago, Chicago Police Department, does not affect the state whatsoever."

Eddy: "So, for example, if an annuity is provided to the widow of a Chicago Police Pension Fund member, then the cost… all costs incurred for that pension will be incurred the liability to the Chicago Pension System, nothing…"

Molaro: "Correct."

Eddy: "...to the other system."

Molaro: "That's also correct."

Eddy: "Okay. And then throughout this Bill..."

Molaro: "Throughout..."

Eddy: "Any... any..."

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Molaro: "Right."

Eddy: "...any benefit is just to that system."

Molaro: "Yes. Chicago only."

Eddy: "Thank you very much for the clarification."

Molaro: "Thank you, Mr. Eddy."

Speaker Lyons: "Chair recognizes the Gentleman from Cook, Representative John Fritchey."

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

Speaker Lyons: "He indicates he will."

Fritchey: "Representative, there was another provision here. I just wanted to make sure it got on to the Bill or found if it did and that had to do with the unclaimed property?"

Molaro: "Say one more time."

Fritchey: "We had the issue on unclaimed property coming in to the pension fund..."

Molaro: "No... yeah, that Bill was never... that Amendment was never adopted, unfortunately."

Fritchey: "Just out of curiosity, why not? 'Cause I think as you know, and I know that it's an excellent Amendment and it's an issue that a lot of people probably are not aware of and should be aware of. Is there a reason that it wasn't put on?"

Molaro: "Yeah, it was... it was thought of by the Speaker's Office that really is... as great of an idea of it is, and it is, and I think it's going become the law of the state next year, it really is a budgetary matter and there just wasn't time to go over the exact fiscal impact of it. But it's a great idea, it would save us billions of dollars in our pension payments, but unfortunately there just wasn't time

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to really negotiate it the way we should've. But it was a great idea by the Treasurer and I think it will move forward next year."

Fritchey: "All right. Thank you. To the Bill. Ladies and Gentlemen, just for those of you that were listening to us, there was an Amendment out there... the state takes in a lot, a lot of money in unclaimed property every year and that money is to go toward the State Pension Fund and toward the What has been happening, though, is the money that would go in there has been supplanting GRF payments rather then supplementing GRF payments. As Representative Molaro said, and there's few people in this chamber, if any, that are more acquainted with the pension systems than are he. We have the ability to significantly alleviate, in a very responsible manner, our pension obligations going forward. Treasurer Giannoulias's Office was very proactive in recognizing this and trying to take some steps to do Unfortunately, I understand that timing dynamics that we're faced with, it can't be done but I hope we will focus on this next year. And Representative, to the extent that you're going to do this next year, please, count me in as being in with you. Thank you."

Speaker Lyons: "Representative Molaro to close."

Molaro: "I'd just ask for an 'aye' vote again. No cost to the state, no cost to the systems."

Speaker Lyons: "The question is, 'Should Senate Bill 1380 pass?' All those in favor signify by voting 'yes'; those opposed vote 'no'. The voting is open. Have all voted who wish? Have all voted who wish?

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Have all voted who wish? Representative Graham? Munson? Mr. Clerk, take the record. On this Bill, there are 95 Members voting 'yes', 21 voting 'no', 1 Member voting 'present'. This Bill, having received the Constitutional Majority, is hereby declared passed. Representative Brady?"

Brady: "Thank you, Mr. Speaker. The Republicans will caucus immediately in Room 118. The Republicans will caucus in Room 118, immediately. Thank you very much."

Speaker Lyons: "The Chair recognizes Representative Stephens."

Stephens: "Are we allowed to object to that Motion?"

Speaker Lyons: "Representative Brady, Representative Stephens had a question for you."

Brady: "Yes, Representative. I'm sorry. It's not that I don't hang on everything that you say around here, but what was it you were saying?"

Stephens: "Never mind."

Brady: "Okay. Thank you."

Speaker Lyons: "And Democrats, we will caucus in Room 114.

Democrats immediately, caucus in Room 114. The House will stand in recess until the call of the Chair."

Speaker Hannig: "The House will be in order. Members please be in their seats. We are going to continue on page 10 of the Calendar, under the Order of Senate Bills-Third Reading. And Mr. Clerk, read Senate Bill 1224."

Clerk Mahoney: "Senate Bill 1224, a Bill for an Act concerning teachers. Third Reading of this Senate Bill."

Speaker Hannig: "The Gentleman from Lake, Representative Washington."

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Washington: "Thank you Mr. Speaker and Member of the chamber. Senate Bill 1224 is a really good Bill that I am sure all of you can appreciate. It will create the Teachers Home Buyer Assistance Act and require the Illinois Housing Development Authority to establish and administer a program to provide down payment assistance to our public school teachers who teach in hard-to-staff schools or hard-tostaff position for purchasing residence within the school district. And it provides that the assistance shall be in the form of a deferred payment, a low-interest subordinate mortgage loan over a term not longer than the term of the first mortgage loan, with interest accruing at a rate of up to 5 percent per annum. Provides that if the borrower has continuously been a teacher for the five-year period immediately following the date of recordation of the loan, deed of the trust, then repayment of the loan shall be forgiven and considered a grant. It provides repayment of the principal and accrued interest is due and payable upon the concurrence... the occurrence of certain events. Effective immediately. And I'm open for any questions and hope that the chamber supports me in trying to upgrade our teachers staffing problems in some areas. Thank you."

Speaker Hannig: "The Gentleman has moved for the passage of Senate Bill 1224. This is on Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Representative Molaro and

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D'Amico, do you wish to be recorded? Mr. Clerk, take the record. On this question, there are 117 voting 'yes', and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Senate Bill 1225, Representative Saviano? Out of the record. Representative May, on Senate Bill 1241. Mr. Clerk, read the Bill."

Clerk Mahoney: "Senate Bill 1241, a Bill for an Act concerning safety. Third Reading of this Senate Bill."

Speaker Hannig: "Representative May."

May: "Yes. Thank you, Mr. Speaker. I'd like to first of all thank Senator Mattie Hunter for her support and leadership on getting mercury out of our environment. As you are aware, mercury causes brain damage in children. This says that as of July of next year no person shall install, sell, or distribute certain mercury-added thermostats in the state. It continues our campaign to get mercury out of the environment to protect the health of our children. It... these devices are competitively priced. They're reasonably avail... they're readily available and the industry is already phasing out the... getting rid of the mercury-containing thermostats. And I ask for an 'aye' vote."

Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? The Gentleman from Vermilion, Representative Black."

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

Speaker Hannig: "She indicates she'll yield."

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Black: "Representative, your Bill does not mandate any recycling program on these thermostats, correct?"

May: "No..."

Black: "Okay."

May: "...the original portion in the Senate..."

Black: "Right."

May: "...was taken out and they're working with Honeywell and other producers to work on..."

Black: "Right."

May: "...some sort of a voluntary program."

Black: "Now, Representative, don't fall over, but I'm going to speak in favor of your Bill. Mr. Speaker, to the Bill and... and with thanks to Representative May. She came over and talked to me yesterday. As she, I think knows, and I hope most of you realize, my family's been in the heating and air conditioning business for about eighty (80) years. grandfather started it, my father ran it successfully for almost forty (40) years, my brother has run it for a number of years, and is getting ready to retire and my nephew hopes to run it for another thirty (30) or forty (40) years. Because of Representative May's willingness to ask me to look into it, I had an opportunity to talk to my brother yesterday, and he's very aware of the mechanical contractors and the HVAC contractors and I found out something. These... and you may have them in your house, they're round thermostats, and in the business, they were called T87As, they were the most numerous thermostat ever made, and they were a mercury-controlled thermostat. brother told me, they haven't made those in five (5) years,

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and they... he has none in inventory, he wouldn't replace anything with any mercury switch, and in fact the entire HVAC industry is moving as rapidly as they can away from any mercury-type switches. He said the replacement thermostat, when it's ready to be replaced, will be a little more expensive, not... not as much as I thought. It's digital, it's more energy efficient, and it's just better all the way around. And I think further testimony of the work Representative May has done on this Bill, he has told me that his wholesalers, who he buys thermostats from, have gone together regionally, if not statewide, and are setting up recycling bins, where when you replace one of these mercury thermostats, you bring it into them, and they will take care of the recycling for you, which my brother says is... he appreciates because then he doesn't have to store them on-site, call a special hauler. So he said, and I ended up faxing the Bill to him, and he said that this is the way we're going, it's the way the industry is going, and anything in this Bill does not harm him or anyone in the HVAC business that he's aware of. And he wanted me to congratulate you, Representative, on at least allowing people to reach out, talk to their contractors. And I found out, it's been a long time since I've... I've worked in that business. I found out that this Bill really is somewhat even behind the curve. That is doesn't hurt anybody, the industry is moving as rapidly as they can away from mercury controls of all kinds. And I would urge an 'aye' vote."

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- Speaker Hannig: "Is there any further discussion? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative Graham and Will Davis, do you wish to be recorded? Mr. Clerk, take the record. On this question, there are 117 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Representative Cross has Senate Bill 1242. Representative Mathias, perhaps. No? Okay. We'll go on down the list. Representative Chapa LaVia on Senate Bill 1243. Mr. Clerk, read the Bill."
- Clerk Mahoney: "Senate Bill 1243, a Bill for an Act concerning environmental protection. Third Reading of this Senate Bill."
- Speaker Hannig: "Representative Chapa LaVia."
- Chapa LaVia: "Thank you, Speaker and Members of the House. Senate Bill 1243 establishes standards and procedures for the Illinois Environmental Protection Agency review of the remediation tax credit application in a River's (Sic River) Edge Redevelopment Zone. This is just technical; it's a technical cleanup Bill. Thank you."
- Speaker Hannig: "This is on Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative Turner, do you wish to be recorded? Mr. Clerk, take the record. On this question, there are 117 voting 'yes' and 0 voting 'no'.

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And this Bill, having received a Constitutional Majority, is hereby declared passed. Mr. Clerk, read Senate Bill 1225."

Clerk Mahoney: "Senate Bill 1225, a Bill for an Act concerning regulation. Third Reading of this Senate Bill."

Speaker Hannig: "Representative Saviano."

Saviano: "Thank you, Mr. Speaker, Members of the House. Senate Bill 1225 is the companion Bill of the House version to extend the sunset date for the Illinois Acupuncturist Practice Act. A few minor changes. Everybody's in agreement on the Bill. And I ask for its approval. Thank you."

Speaker Hannig: "Is there any discussion? Then all in favor...
all... Then the question is, 'Shall this Bill pass?' All in
favor vote 'aye'; opposed vote 'nay'. The voting is open.
Have all voted who wish? Have all voted who wish? Have
all voted who wish? Representative Yarbrough, Graham, Will
Davis, do you wish to be recorded? Mr. Clerk, take the
record. On this question, there are 117 voting 'yes' and 0
voting 'no'. And this Bill, having received a
Constitutional Majority, is hereby declared passed. Mr.
Clerk, read Senate Bill 1242."

Clerk Mahoney: "Senate Bill 1242, a Bill for an Act concerning climate change. Third Reading of this Senate Bill."

Speaker Hannig: "Representative Cross."

Cross: "Thank you Mr. Speaker. As most of you know, or some are familiar with the Cool Cities Program it's an initiative of the Sierra Club geared toward addressing global warming. At the local level, it's modeled on the

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Cities for Climate Protection program. Eleven (11) cities have signed up, one of them is Plainfield, another is Aurora. I represent Plainfield and a small piece of Aurora. In order for a city to participate it must have its mayor sign the agreement, conduct an inventory of current global warming emissions and implement a solutions plan. This Bill allows for that to happen with respect to the City of Plainfield. And I would appreciate an 'aye' vote."

Speaker Hannig: "This is on Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Mr. Clerk, take the record. On this question, there are 117 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. In case you're not paying attention, we're just going down the list. So for the Members who have Bills on page 10 of Calendar, you need to be prepared. So, Representative Moffitt, I see you're ready. So, Mr. Clerk, read Senate Bill 1244."

Clerk Mahoney: "Senate Bill 1244, a Bill for an Act concerning local government. Third Reading of this Senate Bill."

Speaker Hannig: "Representative Moffitt."

Moffitt: "Thank you, Mr. Speaker and Ladies and Gentlemen of the House. Senate Bill 1244, the original Bill was provided for the purpose to clarify that if a fire district levies taxes for ambulance service, that they can use it for the ambulance purchase and to staff of EMTs or

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paramedics. This is a... the Amendment on this became the Bill. So that was the original Bill. These were suggested by the Illinois Fire Chiefs Association, both the original and the Amendment are supported by the fire service. was presented at the fire summit, and asked the Fire Caucus to support this. The Committee Amendment that we adopted in the House was similar to House Bill 1026. And what that Amendment does is allow fire departments to charge entities that require the specialized emergency teams, who have been found at fault by the U.S. Occupational and Safety Administration or by the Illinois Department of Labor. This is not mutual aid, this is not a basic response. These are the very specialized teams. There are thirtyseven (37) of them around the state. They're made up of both full-time and volunteer departments. They're strategically located to respond to an emergency. example, because of the Federal Mine Safety Act, we have to be able to respond to coal mines within an hour with a specialized team. So, that's what these are. There's a definition of 'specialized teams'. This is not a fee increase. Any charge that's there is already in statute. We're not changing that at all. These specialized teams are listed. When I heard that anyone that, had a question, I've tried to answer your questions, like, one day somebody said, well, does that mean if somebody responds with a Jaw (sic-Jaws) of Life, the department could charge for that? Absolutely not. Jaw (sic-Jaws) of Life is a standard response. These are the specialized teams, highly trained. These teams are spread around the state. If you live on

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the east side of the state, there are teams, fire departments, from Champaign County, from Coles County, that might respond. There's some from in the north, Henry and Jo Davies; from the central, Peoria; from the west, Rock Island; from the south, Williamson, Jackson, and Massig... Massac Counties. These are both full-time and volunteer. With that, I'll be happy to answer any questions that you might have."

Speaker Hannig: "So, we're going to put this on the Order of Standard Debate to accommodate our Members. And Representative Black, you're recognized for 5 minutes."

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

Speaker Hannig: "The Sponsor will yield."

Black: "Representative, I really appreciate the time you have taken with me and others about this Bill. And I just have two (2) basic questions. Under the existing law, where a fire department or a district can charge a fee for an out-of-district resident, et cetera, to the best of your knowledge, has such a fee ever been levied and/or collected?"

Moffitt: "This is... if we're out of district?"

Black: "Yeah. Under the existing language, that's already in law. Currently, as you know, districts can charge a fee for emergency services to nonresidents of the fire departments..."

Moffitt: "...right."

Black: "...or districts."

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Moffitt: "I believe that they have. I mean, I don't have a list..."

Black: "Okay."

Moffitt: "...but it's not anything new. That's been there for a long time."

Black: "I know. I said it was in current language, but I'm not sure people are... are aware of that. But when you say it's in current language to respond to a emergency, is that a standard emergency, such as a fire or an automobile accident or an extraordinary emergency brought on by some behavior?"

Moffitt: "Representative, I would describe these as extraordinary. It's rare, rather rare, that they're called out. There are thirty-seven (37) technical rescue teams around the state and it's in the statute, identifies these teams as to what they are. It's on page 2, line 12 of the Amendment, that actually identifies. And this is like a confined space, it's like underwater, it's like underground. It's high angle rescue, this is not your standard rescue team. Underground might be a tunnel collapse and it's only if... like a contractor has violated OSHA or Department of Labor. Let's take an example."

Black: "Well let me just... let me just stop you there. I'm talking about what's in current legislation, where fire departments can charge a fee, the rate is a hundred and twenty-five dollars (\$125) an hour per vehicle and thirty-five dollars (\$35) per hour per firefighter."

Moffitt: "Right. That's already in statute."

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Black: "Yeah. That's already in statute, and it said, a fee for emergency services. Now, what's that... under the current law, what's the definition of 'emergency service'?"

Moffitt: "Current law would be if your local fire department provided that... emergency response would call the fire department for an out-of-district resident."

Black: "Okay. All right."

Moffitt: "And this isn't just for residents, this is only in a case of a company that violated law."

Black: "All right."

Moffitt: "Your current fire departments have probably responded, somebody traveling down the interstate and had an accident, they don't live in your fire district, the fire department responded. They can... they have the authority to charge."

Black: "But if they were called out under a mutual aid agreement, let's say the… the district to their north was on a call, and they could not respond, so they called a mutual aid district, is… are they still able to levy that fee? Like to an accident along the road?"

Moffitt: "Not at the present time, and mutual aid is different..."

Black: "Right."

Moffitt: "...than this, and mutual aid terms are already spelled out. They probably have a mutual aid agreement, most departments that I know of, in fact all the departments that I know of, already have agreements with their neighboring fire departments."

Black: "Right."

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Moffitt: "And so they know the terms, in other words, they go to each other's aid."

Black: "Okay."

Moffitt: "There... when your department goes to the north, you said, they're responding to try to help their neighbor, and they're not expected to get paid for that because they're... the favor's..."

Black: "Okay."

Moffitt: "...going to be returned."

Black: "Yeah. In fact, in my district we even have mutual aid with departments in Indiana, because we're right on the border. Now, very, very briefly, under the material that you're adding in this Bill, these are cases... if I understand this correctly... these are cases where I have either violated the law, or did something that was against the law, and extraordinary resources have to be called out to rescue me. For example, I trespass, I go up on top of the village water tower, I'm in violation of the law, I get myself tangled up, and they have to call out a... a high angle rescue unit to get me down safely, then they can charge me for that, under this Bill, correct?"

Moffitt: "Well, if you were contracting to do that work."

Black: "What about if I just did it as an individual, but clearly was trespassing, and clearly was up there in violation of the law?"

Moffitt: "I don't... I don't think they... they could, because unless it was a violation of OHSA..."

Black: "Okay. All right."

Moffitt: "...or a violation of Department of Labor. So..."

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Speaker Hannig: "Representative Black, your... your time is expired, but could you bring your remarks to a close, please."

Black: "Very, very definitely and thank you, Speaker. Just one last question, if you'd be kind enough to respond, Representative. What you're talking about here, are generally extraordinary cases, where the law has been broken, and there is precedent for this already. So I don't think we're... we're really establishing any new precedent, correct?"

Moffitt: "Correct."

Black: "Right. Thank you."

Moffitt: "Very well put, thank you."

Black: "Thank you very much."

Speaker Hannig: "Representative Bost."

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

Speaker Hannig: "Indicates he'll yield."

Bost: "Representative, I also just want to let people know how hard you've worked on this and... and the importance of this. By no means, you know, and I think there was some concerns, and I want for... to the purpose that's... so we'll have it on record. There is by no means... Mr. Speaker, can we kind of... if someone... this isn't going to be something charged to an existing tax body, this is... that it... where the... these units are from. They are actually going outside of that area and that's where that charge will be incurred, correct?"

Moffitt: "Essentially, you're... you're correct. I mean, the response could be within their district. But it's like a construction company. You're... you're not going to be

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charging another fire department, you're not going to be charging a municipality. It's just that if someone, doing business, the construction accident, and they violated the law, then your local department, if they're part of a rescue team, could charge."

Bost: "Basic... basically, the taxpayers can be... be reimbursed, correct?"

Moffitt: "This is... this is going to be a benefit to the tax payers. As it is now, without this, someone breaks the law, you send... you're part of a rescue team, they're sent out, your local taxpayer's getting no reimbursement. This is going to help them the team members."

Bost: "Okay. As far as... as far as rescue teams that we are talking about, are we talking about dive teams or are we talking about HAZMAT spill teams? What exactly are we talking about?"

Moffitt: "Representative, in this legislation, it spells it out. And in the Amendment, it's on page 2, starting with line 12. And it says 'for the purposes of this section, the terms specialized rescue teams include, but it's not limited to, structural collapse, technical rescue, high angle rescue, underwater rescue and recovery, confined space rescue, below grade rescue, and trench rescue.' I believe that covers all the ones that we have. The dive team that you raised a question about... if it's part of an official one of the thirty-seven (37) technical rescue teams, then their services might be needed if it's part of a fire department. But if it's simply a separate group, then it would not be part of the rescue team."

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Bost: "Okay. I, I just rise in support of the Bill. I do hope that everybody can support it. I think it makes sense and I... I hope that the confusion is taken away from this. I think a few people were confused on what was going on. And I think you've worked very hard it. I do support the Bill."

Moffitt: "Thank you, Rep..."

Speaker Hannig: "Representative... Representative Holbrook."

Holbrook: "Thank you, Speaker. In many areas of the state, like in mine, these are volunteers that give their time, they train for literally hundreds of hours, occasionally they're called out on situations that right now our fire departments can collective... the people are... the incident is caused by an OSHA violation or a Department of Labor violation. These are people that have broken the law, and our good citizens have come out and helped them. Our volunteers in many, many cases, especially downstate, and this may just help one of those groups stay solvent. There's absolutely no new fee here whatsoever. It's the same fee that the fire departments charge. We're just covering the rescue people. And I know downstate at almost ever... almost every case, these are volunteers that train for hundreds and hundreds of hours, in my area it's at the local community college. And this is the right thing to do, our fire departments have done it for years. And we need to do this. And I'd urge an 'aye' vote for this Bill."

Speaker Hannig: "Representative Moffitt to close."

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- Moffitt: "Well, thank you, Speaker. I... I appreciate the questions that were raised and we've had a chance to respond to them. Again, this is a way to save your taxpayers' money. If your department's part of a technical rescue team, thirty-seven (37) of them around the state, absolutely no opponents on this, and it's one of the top items on the agenda of the fire service. Certainly urge a 'yes' vote."
- Speaker Hannig: "The question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative Sommer, do you wish to be recorded? Mr. Clerk, take the record. On this question, there are 102 voting 'yes' and 13 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Representative Ryg, you have Senate Bill 1245. Mr. Clerk, read the Bill."
- Clerk Mahoney: "Senate Bill 1245, a Bill for an Act concerning State Government. Third Reading of this Senate Bill."

  Speaker Hannig: "Representative Ryg."
- Ryg: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. Senate Bill 1245 as amended requires regular and ongoing site inspections, no less than annually, for facilities under the jurisdiction of the Department of Human Services. It requires the department to report to the General Assembly on the feasibility of increasing utilization of electronic monitoring and recording for purposes of identification and prevention of abuse and neglect. The Bill was agreed to by the proponents,

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including the Autism Society of Illinois and the Department of Human Services. Be happy to answer any questions."

Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative Riley and Younge, do you wish to be recorded? Mr. Clerk, take the record. On this question, there are 116 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passes. Representative Flider, you have Senate Bill 1249. Do you wish us to read that Bill? Mr. Clerk, read the Bill."

Clerk Mahoney: "Senate Bill 1249, a Bill for an Act concerning employment benefits. Third Reading of this Senate Bill."

Speaker Hannig: "Representative Flider."

Flider: "Yes. Thank you Mr. Speaker and Ladies and Gentlemen of the House. Senate Bill 1249 creates the Illinois Fringe Benefit Portability and Continuity Act that establishes provisions that would allow the withholding of wages for the contribution of fringe benefits to short-term or temporary workers who are not covered by an employment contract or collective bargaining agreement, but referred by a labor organization to work for the state. And this is an initiative of the Laborers' International Union and I know of no opposition. I'd ask for an 'aye' vote."

Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'.

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The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, take the record. On this question, there are 116 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Mr. Clerk, read Senate Bill 1253."

Clerk Mahoney: "Senate Bill 1253, a Bill for an Act concerning health. Third Reading of this Senate Bill."

Speaker Hannig: "Representative Tryon."

Tryon: "Thank you, Mr. Speaker and Ladies and Gentlemen of the House. Senate Bill 1253 is the companion Bill to House Bill 909, which passed this chamber unanimate... unanimously. It simply makes changes in language to the Community Mental Health Act and makes the Act more contemporary with federal and state programs and local programs that were offered. I'd urge an 'aye' vote."

Speaker Hannig: "This is on Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Mr. Clerk, take the record. On this question, there are 115 voting 'yes' and 1 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Representative Mautino, you have Senate Bill 1261. Out of the record. Representative Hoffman, on Senate Bill 1265. Out of the record. Representative Soto, on Senate Bill 1293. Mr. Clerk, read the Bill."

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Clerk Mahoney: "Senate Bill 1293, a Bill for an Act concerning criminal law. Third Reading of this Senate Bill."

Speaker Hannig: "Representative Soto."

Soto: "Thank you, Speaker and Members of the House. Senate Bill 1293 is an initiative of Peoples Energy and it amends the Criminal Code of 1961. Provides that the assault and battery of a person known to be a utility worker, while a utility worker is engaged in an execution of his or her duty or prevent a utility worker from performing his or her duties, in retaliation for a utility worker performing the duty is enhanced to an aggravated assault and aggravated battery. And I urge an 'aye' vote. Thank you."

Speaker Hannig: "This is on Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Rep... Mr. Clerk, take the record. On this question, there are 116 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Representative Hamos, on Senate Bill 1296. Out of the record. Representative Pritchard, on Senate Bill 1304. Mr. Clerk, read the Bill."

Clerk Mahoney: "Senate Bill 1304, a Bill for an Act concerning State Government. Third Reading of this Senate Bill."

Speaker Hannig: "Representative Pritchard."

Pritchard: "Yes, Mr. Speaker. This Bill simply requires the Department of Central Management Services to offer to university and community college employees and their dependents what is allowable under Federal Law. They

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currently are providing this in most situations, but a constituent of Senator Schoenberg's was refused these types of benefits, so he's trying to write this into law to require the provision of services. Thank you."

- Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? Then the question is, 'shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? voted who wish? Have all voted who wish? Representative Hoffman, do you wish to be recorded? Mr. Clerk, take the record. On this question, there are 115 voting 'yes' and 0 votina 'no'. And this Bill, having received a Majority, is hereby declared passed. Constitutional Representative Fritchey, you have Senate Bill 1306. Out of the record. On page 11 of the Calendar, under the Order of Senate Bills-Third Reading, Representative Riley, you have Senate Bill 1326. Mr. Clerk, read the Bill."
- Clerk Mahoney: "Senate Bill 1326, a Bill for an Act concerning State Government. Third Reading of this Senate Bill."
- Speaker Hannig: "The Gentleman from Cook, Representative Riley."
- Riley: "Thank you, Mr. Speaker, Members of the House. Senate Bill 1326, essentially amends the State Facilities Closure Act. It expands the scope of that Act to all state facilities, the closing of all state facilities, rather than those with twenty-five (25) or more state employees, meaning those that are under twenty-five (25) or more employees. There's no opposition on this Bill. It passed

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unanimously in the other Body. And I'm here to answer any questions that you may have."

Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? The Gentleman from Jasper, Representative Reis."

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

Speaker Hannig: "He indicates he'll yield."

Reis: "Representative, could you provide us a little more detail on how this would affect prisons in the State of Illinois."

Riley: "Well, I don't think it's going to really affect prisons at all because right now the Act provides for the provisions of the Act being invoked when there are twenty-five (25) or more state employees. And I presume that most prisons are over twenty-five (25) employees."

Reis: "What about work camps?"

Riley: "Again, to the extent that there are twenty-five (25) or less employees, then, you know, it would come under this purview. I'm not exactly sure of how many people work or who… are employed in a work camp."

Reis: "Okay. AFSCME's in support of this, right?"

Riley: "That's correct."

Reis: "Okay. Thank you."

Speaker Hannig: "The Gentleman from Crawford, Representative Eddy."

Eddy: "The Sponsor yield?"

Speaker Hannig: "Indicates he'll yield."

Eddy: "Representative, our analysis indicates that, it provides that the State Facilities Closure Act applies to all state

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facilities, where now only primary work facilities employing twenty-five (25) or more individuals are affected. Is that accurate?"

Riley: "Well, it's not all state facilities; it doesn't cover anything under the legislative or judicial branches. So it's state facilities under the executive branch."

Eddy: "So... so back to Representative Reis's question. I... I have two (2) correctional facilities in my legislative district and they are obviously employing twenty-five (25) or more individuals. Does this then provide that the State Facility... Facilities Closure Act would apply to those correctional facilities?"

Riley: "Well, it's my understanding that the State Facilities

Closure Act would apply to them right now. This particular

legislation basically affects facilities that are under..."

Eddy: "Under twenty-five (25)."

Riley: "...twenty-five (25)."

Eddy: "Okay. So, this really has no affect on... on those facilities because they are under existing law."

Riley: "They're under existing law, that's correct,

Representative."

Eddy: "Okay. Thank you."

Speaker Hannig: "Any further discussion? Representative Riley to close."

Riley: "I would encourage everyone to 'aye' on this Bill."

Speaker Hannig: "The question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open.

Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative Flowers, do you wish to

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be recorded? Mr. Clerk, take the record. On this question, there are 116 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Representative Molaro, you have Senate Bill 1344. Mr. Clerk, read the Bill."

Clerk Mahoney: "Senate Bill 1344, a Bill for an Act concerning business. Third Reading of this Senate Bill."

Speaker Hannig: "Representative Molaro."

Molaro: "Thank you. This is an initiative of the new car dealers and all it does is it changes the definition... and I'm going to get it right to the Bill here. It defines what 'relative market area' is. There was two (2) days... ways to define it. Now, because there was some confusion, there's only one way to define it, and that is, 'shall mean the area within a radius of fifteen (15) miles of the principle location if the franchise.' This is in full agreement. No known opposition. And it is brought by the new car dealers."

Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Representative Eddy and Beaubien, do you wish to be recorded? Mr. Clerk, take the record. On this question, there are 115 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Representative Brady, you have Senate Bill 1346. Mr. Clerk, read the Bill."

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- Clerk Mahoney: "Senate Bill 1346, a Bill for an Act concerning criminal law. Third Reading of this Senate Bill."
- Speaker Hannig: "The Gentleman from McLean, Representative Brady."
- Brady: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. House (sic Senate) Bill 1346 simply requires that every county medical examiner or coroner provide to the Department of State Police a sample for DNA fingerprinting analysis in cases. This is an initiative by the City of Chicago and is supported by law enforcement. I'll be happy to answer any questions."
- Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative Poe and Osmond and Nekritz, do you wish to be recorded? Mr. Clerk, take the record. On this question, there are 116 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Representative Acevedo, you have Senate Bill 1348. Do you wish us to read it? Mr. Clerk, read the Bill."
- Clerk Mahoney: "Senate Bill 1348, a Bill for an Act concerning criminal law. Third Reading of this Senate Bill."
- Speaker Hannig: "The Gentleman from Cook, Representative Acevedo."
- Acevedo: "Thank you, Mr. Speaker. House Amendment #2 becomes the Bill. It amends the County Jail Act, regulating when counties shall be reimbursed by prisoners medical expenses.

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The current law states that the county shall cover all expenses of its prisoners including bedding... bedding, clothing, fuel, and medical expenses. Currently, a county, private hospital physician or public agency shall be entitled to reimbursement for the County Sheriffs' Arrestee's Medical Costs Fund for medical expenses, if the money's available from the fund. I'll be happy to answer any questions."

Speaker Hannig: "This is on the Order of Short Debate. And in response, Representative Holbrook."

Holbrook: "Thank you, Speaker. This is the exact same Bill now as House Bill 1348 that passed out of here nearly unanimously. This makes the state live up to its commitment of those that are being held by... on state warrants, and jails. It's something we thought we had resolved four (4) or five (5) times now, and it's a shame we have to keep coming back and readdressing this. But I know of no opposition to the Bill from anyone that's come to us or when I ran House Bill 1348. And I would sure urge an 'aye' vote on this."

Speaker Hannig: "Any further discussion? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative Cultra, do you wish to be recorded? Mr. Clerk, take the record. On this question, there are 115 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Mr. Clerk, read Senate Bill 1349."

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Clerk Mahoney: "Senate Bill 1349, a Bill for an Act concerning public aid. Third Reading of this Senate Bill."

Speaker Hannig: "Representative Beiser."

Beiser: "Thank you, Mr. Speaker and Members of the House. Senate Bill 1349 amends the Public Aid Code in relation to the Medicaid Program. Nursing homes must use it states that nursing homes must use a Internet-based electronic data interchange system. This Bill was filed on behalf of the Illinois Long-term Council to ensure more timely reporting of recipient eligibility by replacing the existing paper-based system with electronic filing. I'd be happy to answer any questions."

Speaker Hannig: "This is on Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative Sommer and Lyons, do you wish to be recorded? Mr. Clerk, take the record. On this question, there are 115 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Mr. Clerk, read Senate Bill 1350."

Clerk Mahoney: "Senate Bill 1350, a Bill for an Act concerning public aid. Third Reading of this Senate Bill."

Speaker Hannig: "The Lady from Cook, Representative Hamos."

Hamos: "Thank you. Ladies and Gentlemen, Senate Bill 1350 requires providers of nonemergency medical transportation services to use approved training programs for all drivers and employee attendants. These training programs are to be

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approved by DH... I mean, by HFS, our state department. It requires to recertification by employees every three (3) years. The cost will be borne by the medi-car companies. There's a free training program that's available by the state. This is optional which training programs these companies would want to use. But that's really the whole Bill. I think people have heard of some concerns and problems with people not being as well trained to do these medi-car services and these would... this would at least provide some of that training. And I know of no opposition."

Speaker Hannig: "So, we have... we have several Members wishing to speak so we'll put this on Standard Debate. And Representative Mulligan, you're recognized for 5 minutes."

Mulligan: "Thank you, Mr. Speaker. Will the Sponsor yield?" Speaker Hannig: "She indicates she'll yield."

Mulligan: "I guess we had some questions that remained from the Bill, and I don't know if you answered them just now. Are there sufficient providers of training to ensure that the transforva... transportation providers throughout the state have access to training in a timely manner?"

Hamos: "Are there enough programs?"

Mulligan: "No, it's are there enough people to train, so that they can do training around the state in a timely manner?"

Hamos: "Well, I... I would really hope so, because if... if we establish that we need this, federal regulations for public transit grants already require training. So there's already training out there, for these kind of services, and I believe that the Department of Healthcare and Family

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- Services, provides training also, free of charge. So, this just makes it a requirement to do it."
- Mulligan: "They have to pay for this training?"
- Hamos: "Well, there is a company that is offering it, where they would have to pay for it, but HFS offers the same kind of training free of charge."
- Mulligan: "So, if they pay for it, does HFS intend to give a rate increase to providers to cover the cost of the training?"
- Hamos: "No, I don't know about that."
- Mulligan: "So, you just think that they would offer it free, depending on the timeliness of it whether they got it, and they had... do they have to be recertified, if they are already doing this?"
- Hamos: "Every three (3)... Oh, if they're already doing this. I think this would require training in the first place, after the effective date of this Act."
- Mulligan: "So there's... there's companies that do this already, and who are really underpaid, particularly in our area, considering the cost, that in some areas where they have a long way to travel, particularly with gas prices and things like that. So, do all of those companies now have to have their drivers retrained or their workers retrained?"
- Hamos: "Well, this does say, yes, that beginning with services rendered after this date, July 1, all providers would have to certify that the driver and employee attendant has completed this kind of safety program."
- Mulligan: "Have there been any instances where there's been problems with the people that are the drivers... that have

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been liability with the people that they pick up, or any problems that are already there?"

Hamos: "You know, I... I know... I know that just anecdotally I have heard of problems all long from the disabled community... the disabled community. I don't have any research or anything like that, nor... I mean, I know what, that your questions make sense to me, Representative Mulligan, but I have not really been approached by any of the companies to suggest that this would be a problem. So I didn't really guess how expensive this training program would be, that it would somehow really cut into any of their profits or anything."

Mulligan: "Well, it looks like the proponents are MedicarSafety.com, which I presume is a company that provides this service, and since we've had some interesting contracts, through some departments in the state recently, for people who want to provide services, I just want to make... that this is totally necessary and that it's not going to over cost, and that the people that are doing it, the provi... providing of the services currently, who have always come to us year after year for a rate, increase, are adequately handled. But it doesn't look like any one has an objection to it."

Hamos: "Not really, I mean... again... again, I know the question you're asking, but it is important to note that these are the most fragile citizens that we have in the State of Illinois, and they are being picked up and dropped off by, you know, it's this kind of important service. I guess the driver and the attendant should be cert... should be trained

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and that's all this is really trying to say. Again, I don't imagine it's a very expensive training program, every three (3) years, so, nobody has objected to it."

Mulligan: "All right. Thank you."

Speaker Hannig: "Representative Monique Davis."

Davis, M.: "Thank you, Mr. Speaker and we do thank you for our time. Representative... Representative Hamos. Oh, hi. Are you saying that even the assistants have to be certified?"

Hamos: "Well, it does say that the driver and if there is an employee attendant, yes, because they're also working with the same fragile population."

Davis, M.: "You know they... do they have to be certified now? I know that sometimes... excuse me, they hire a driver, and then they may have an employee who assists in getting perhaps large over weight patients to the dialysis center or assist in a patient who is on a stretcher, to make sure he's comfortable. So, you're saying that patient... that person also has to now be certified?"

Hamos: "Yeah. I think that what this Bill says is that anybody who's working in the… in the van… that this says the dri… it says, 'the driver, and employee attendant as applicable.'"

Davis, M.: "So, where will they get the training?"

Hamos: "Well, the Department of Healthcare and Family Services provides it free of charge. Now, the company that probably wrote this Bill, as it was introduced in the... Senate, I'm sure would charge some amount of money for it, I'm not kidding about that. But there is an alternative, which is

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- a free training program offered by the Department of Healthcare and Family Services."
- Davis, M.: "And where are they located?"
- Hamos: "Where... I'm sorry?"
- Davis, M.: "Where is... where is that company where they can get free training, where are they located?"
- Hamos: "Now the free training is provided by our state agency, and I'm guessing that it's statewide, because these Medicaid...this is through the Medicaid Program, and these medi-car companies are throughout the state."
- Davis, M.: "And do you... can they also get training at the city colleges, or community colleges?"
- Hamos: "I don't really know about that, Representative Davis, I..."
- Davis, M.: "But I know that they do... they do provide training for the drivers, so I... maybe they'll provide training for that, too."
- Hamos: "Okay. That's... that's interesting; that's great."
- Davis, M.: "But it won't cost the owner of the company any more money, is that correct?"
- Hamos: "I'm sorry. What did you ask?"
- Davis, M.: "It won't cost the owner of the company any more money?"
- Hamos: "Well, as I said, this would require it, there's a free training program available. And then I suspect when we pass laws like this, there might be other companies that come up to offer the service and they might charge. But there is a free training program as an alternative."

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- Davis, M.: "And how long do they have to be trained for, so many weeks or..."
- Hamos: "I don't... I don't really know... that there's a curriculum that I know about at this point. It does say that the training program has to be certified by the state. But I don't know exactly how detailed or how long the curriculum is, I'm sorry.
- Davis, M.: "Thank you. Thank you very much, Representative."
- Speaker Hannig: "Any further discussion? Representative Hamos to close."
- Hamos: "Thank you. I think we've had good discussion about this. I think it's really a safety program for very vulnerable disabled people. And I seek an 'aye' vote."
- Speaker Hannig: "The question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative Mitchell, do you wish to be recorded? Mr. Clerk, take the record. On this question, there are 106 voting 'yes' and 10 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Representative Howard, for what reason do you rise?"

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

Speaker Hannig: "State your point."

Howard: "Visiting us today in the gallery is the new director of the Illinois Finance Authority. Please welcome to Springfield, Kym M. Hubbard."

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- Speaker Hannig: "On page 11 of the Calendar, Representative Watson, you have Senate Bill 1360. Mr. Clerk, read the Bill."
- Clerk Mahoney: "Senate Bill 1360, a Bill for an Act concerning revenue. Third Reading of this Senate Bill."
- Speaker Hannig: "The Gentleman from Morgan, Representative Watson."
- Watson: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. Senate Bill 1360 passed unanimously in the Senate. And it simply provides a sales tax exemption for building supplies for non-for-profit rural water districts. An identical Bill passed out of here with... unanimously last... the House version. So, I'd be more than happy to answer any questions."
- Speaker Hannig: "This is on Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative... Mr. Clerk, take the record. On this question, there are 116 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Mr. Clerk, read Senate Bill 1363."
- Clerk Mahoney: "Senate Bill 1363, a Bill for an Act concerning local government. Third Reading of this Senate Bill."
- Speaker Hannig: "The Gentleman from Cook, Representative McCarthy."
- McCarthy: "Thank you, Mr. Speaker and Ladies and Gentlemen of the House. Senate Bill 1363 amends the Tax Increment

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Allocation Redevelopment Act. It extends the TIF for Oak Forest from twenty-three (23) to thirty-five (35) years and we have all of the letters necessary to move forward with this from the school districts, the library district, the park district and the City of Oak Forest. And I'd appreciate your favorable consideration."

Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Representative Lyons and Brauer, do you wish to be recorded? Mr. Clerk, take the record. On this question, there are 95 voting 'yes' and 21 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Mr. Clerk, read Senate Bill 1365."

Clerk Mahoney: "Senate Bill 1365, a Bill for an Act concerning insurance. Third Reading of this Senate Bill."

Speaker Hannig: "The Lady from Lake, Representative Cole."

Cole: "Thank you, Mr. Speaker. 1365 amends the Illinois Insurance Code and the Health Maintenance Organization Act to have required coverage for a mammogram for a woman under the age of forty (40) who has shown prior personal history of breast cancer, or who has tested positive to the genetic testing for breast cancer. It also includes a provision to allow for a comprehensive ultrasound screening of an entire breast area if a mammogram addre... demonstrates that there's a need for that ultrasound."

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- Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative Lyons. Mr. Clerk, take the record. On this question, there are 116 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Mr. Clerk, read Senate Bill 1368."
- Clerk Mahoney: "Senate Bill 1368, a Bill for an Act concerning State Government. Third Reading of this Senate Bill."

Speaker Hannig: "The Lady from Grundy, Representative Gordon."

- Gordon: "Thank you, Mr. Speaker. Ladies and Gentlemen, Senate Bill 1368 makes a technical change to the Department of Human Services Act. It rem... puts the part regarding the Inspector General and what they have the authority to investigate under that... the Department of Human Services Act. It moves it from the Abused and the Neglected Longterm Care Facility Residents Reporting Act. It's a technical change and it's... so that we are now in compliance with other sections of the statute. Thank you."
- Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative Watson and Mitchell. Mr. Clerk, take the record. On this question, there are 116 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority,

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- is hereby declared passed. Representative Reboletti, you have Senate Bill 1375. Out of the record. Representative Riley, you have Senate Bill 1379. Mr. Clerk, read the Bill."
- Clerk Mahoney: "Senate Bill 1379, a Bill for an Act concerning children. Third Reading of this Senate Bill."
- Speaker Hannig: "The Gentleman from Cook, Representative Riley."
- Riley: "Thank you Mr. Speaker and Members of the House. Senate Bill 1379 expands the list of man... mandated reporters of abused and neglected children. And this will include the field personnel of the Department of Juvenile Justice. I'd like... answer any questions you may have on this Bill. There's no opposition, and it passed unanimously in the other Body."
- Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? The Gentleman from Vermilion, Representative Black."
- Black: "Thank you, Mr. Speaker. Will the Sponsor yield?"
- Speaker Hannig: "He indicates he'll yield."
- Black: "Representative, how many field positions are there in the Department of Juvenile Justice?"
- Riley: "Representative, I'm really not... not sure of this. As you know, this is basically the same people who were under... in its... in its previous incarnation as the Juvenile Division of the Department of Corrections. I'm not exactly sure how many people this basically is."
- Black: "How would they come into contact with potentially abused children? They're... they're not first responders,

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they're not the one's on call. How do they come in contact with them?"

Riley: "Well, they do have a role in the responsibility with these… with these children. Actually, as it states, you know, in… in your analysis, they had responsibilities and they were mandated reporters under the old Juvenile Division of the Department of Corrections. So, this is basically codifying something that they already do, or that they already did."

Black: "All right. That said that, that they used to do, not what they do now, right?"

Riley: "I'm not sure of that Representative. I'm..."

Black: "Well, I hope they got..."

Riley: "I'm pretty certain that they're doing... that they have the same responsibilities now."

Black: "Okay. I... I hope they aren't doing it, because they don't have any legal authority to do it. What... what are the training requirements for a field... field worker for the Department of Juvenile Justice? I mean, what background do they have to have?"

Riley: "Well, they generally have to have a social service or a criminal justice background."

Black: "Okay. Do... do they undergo a criminal background check before they are put to work?"

Riley: "I'm sure they do, Representative."

Black: "All right. But... but you're not sure?"

Riley: "I'm sorry?"

Black: "You're... but you're not positive that they do?"

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Riley: "Well, if you would like me to say I'm positive, I'm positive that they do in... in that... all other personnel of this, you know, that are doing like responsibilities in the criminal justice area have to have background checks done on them."

Black: "I was... I was trying to think of a case, Representative, and I know you wouldn't be aware of it, because it was in my area, where I... I can't remember the details, so I won't go into any great detail. But it seemed to me that one of these people was a political appointee, didn't last long, but did have the job for a while. Are these Juvenile Justice field personnel, are they protected under the Merit Code, do you know?"

Riley: "I'm sorry, could you repeat that? It's hard to hear you."

Black: "Yeah. Are these people under the Merit Code or... or they... or can they be hired and fired at will?"

Riley: "I'm sure they are under the Merit Code."

Black: "But, again, we don't know."

Riley: "That I am not sure of."

Black: "Okay. I... I think you're probably right. I... I'd like to know before I vote on an issue because I want to make sure that these people are, in fact, trained, that they undergo background checks, and that they're protected by the Merit Code. The political appointees, being mandated reporters, just doesn't set well with me. And I don't know that they are."

Riley: "Well, and, well..."

Black: "And we just had a case in my district..."

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Riley: "Right."

Black: "...where I think, and my apologies, I can't remember the details, where I thought there was a worker for a while who was more or less a political appointee, but again, didn't last very long, so no damage done. I... I appreciate your answers. Thank you, Representative."

Riley: "All right. Thank you."

Speaker Hannig: "Representative Lindner."

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

Speaker Hannig: "Indicates he'll yield."

Lindner: "Just can you tell us who are these field personnel?

I mean, what positions do they hold?"

Riley: "Representative, they're field workers, investigators, similar to investigators in some of these other state departments, like DCFS and so forth."

Lindner: "All right. And before the change to the Department of Juvenile Justice, were these field personnel mandated reporters?"

Riley: "That's my understanding, yes."

Lindner: "Okay. So, they were mandated reporters under the old Act, but it got left out of this?"

Riley: "That's true and when we had the new authorization, you know, I think it just was not codified."

Lindner: "All right. And... and this does put us into compliance with some Federal Laws. Is that correct?"

Riley: "That's correct."

Lindner: "All right. Thank you."

Speaker Hannig: "Representative Reboletti."

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

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Speaker Hannig: "Indicates he'll yield."

Reboletti: "Representative, we talked about this in committee and I'm not sure how you were going to address this. We talked about the final place that would take into consideration any felony drug convictions within the last five (5) years and I had mentioned to you that there's nonreporting Section 1410 probation and that is not a conviction. And I asked you about language to consider that that a felony disposition. I don't see any changes. Were you intending on doing that at some point in time, in the fall or next year or were you going to address that?"

Riley: "Yes. I'm... I'm sure... I'm sure that I will do that."

Reboletti: "I have your commitment that you will do that some point in time in the future?"

Riley: "I'm sorry?"

Reboletti: "Do I have your commitment that you'll do that sometime in the future here?"

Riley: "You have my commitment."

Reboletti: "Thank you."

Speaker Hannig: "Any further discussion? Representative Riley to close."

Riley: "I'd ask for an affirmative vote on this Bill. Thank you."

Speaker Hannig: "The question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, take the record. On this question, there are 116 voting 'yes' and 0 voting 'no'. And this Bill, have received a Constitutional Majority, is

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- hereby declared passed. Representative... Representative Mautino, you have Senate Bill 1385. Do you wish us to read that? Okay. Mr. Clerk, read the Bill."
- Clerk Mahoney: "Senate Bill 1385, a Bill for an Act concerning finance. Third Reading of this Senate Bill."
- Speaker Hannig: "The Gentleman from Bureau, Representative Mautino."
- Mautino: "I can see by the list of cosponsors on there that this is the annual Audit Expense Fund. This is the Auditor General's annual Bill which transfers the funds so that he can conduct the audits on all of our state agencies. And ask for a Roll Call vote and a vote of 'aye'."
- Speaker Hannig: "This is on Short Debate. Does anyone stand in response? Then the question is, 'Shall this Bill... Excuse me. Representative Black, the Gentleman from Vermilion."
- Black: "With apologies, Mr. Speaker. Will the Sponsor yield?"

  Speaker Hannig: "Indicates he'll yield."
- Black: "Representative, why is the transfer from GRF so high?

  Maybe I... my memory isn't what it used to be. I don't recall that the GRF transfer made up 90 percent of these transfers in the past, but maybe I've just forgotten. The reason I'm asking, Representative, is it doubled... it doubled from last year?"
- Mautino: "What? What's that? One more time, Bill."
- Black: "Okay. When we were... I was just talking with staff.

  Last year the transfer from General Revenue Funds into the

  Audit Expense Funds was about seven million (7,000,000) and

  change. This year it's fifteen million (15,000,000)."

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- Mautino: "I'm just checking to see the numbers on that. From what I see, the… the funds itself that he has for this year are at the levels… levels consistent with what the Expense Fund has been."
- Black: "Well, what's responsible for the big jump in General Revenue Funds being transferred to the Audit Expense Fund?

  It's up eight million dollars (\$8,000,000) from last year."
- Mautino: "Bill, if you would, and I'll... Mr. Speaker, if you'd take this out of the record for one second. Let me..."
- Black: "I'd appreciate that. Thank you very much,

  Representative."
- Mautino: "...get on the same page and then we'll come back in, I'll have that answer for you."
- Black: "Yeah. Thank you. Okay."
- Speaker Hannig: "Out of the record. Representative Colvin, you have Senate Bill 1398. Representative Colvin, do you wish us to read this Bill? Representative Colvin, do you wish us to read the Bill? Mr. Clerk, read the Bill."
- Clerk Mahoney: "Senate Bill 1398, a Bill for an Act concerning regulation. Third Reading of this Senate Bill."
- Speaker Hannig: "The Gentleman from Cook, Representative Colvin."
- Colvin: "Thank you, Mr. Speaker and Ladies and Gentlemen of the House. I offer for your consideration Senate Bill 1398 which amends the Collection Agency Act. Senate Bill 1398 is Attorney General Lisa Madigan's Bill that amends the Collection Agency Act to require debt collectors to follow certain procedures in its attempts to collect debt from debtors. In sum, the Bill harmonizes State Law with

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Federal Law providing four (4) major points: providing that upon request of the consumer a debt collector must either validate the debt or stop collection of it. It also requires the debt collector to cease communication upon written request of the debtor. It expands the definition of debt collector to include rapidly growing numbers of debt buyers in the industry and creating a process by which the victims of identity theft may clear their credit reports of debts incurred by ID theft. I'll be happy to answer any questions."

Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? The Gentleman from McHenry, Representative Franks."

Franks: "Thank you, Mr. Speaker. Will the Sponsor yield?" Speaker Hannig: "Indicates he'll yield."

Franks: "Representative, who would this apply to? Would it just apply to collection agencies or anyone who is a debt collector?"

Colvin: "Anyone who is a debt collector. So, yes, it would apply to those agencies that collect, but it also extends the provisions of this Act to those who so-called buy debt. Those individuals who call people's homes and offer to buy debt at a... at a... who buy debt at a reduced rate and then begin to try to collect the debt through... as a pass-through company from the original debtor."

Franks: "Under the Fair Debt Collection Practices Act, attorneys... which is a Federal Act... attorneys have been deemed to be construed as collectors. In this Bill, would attorneys also be deemed to be considered collectors?"

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Colvin: "If they're in the act of collecting a debt, indeed, they would be."

Franks: "I have an attorney here who says that attorneys are exempted from the Debt Collection Act. And I believe that this Bill, the way it's written, is amending the Debt Collection Act."

Colvin: "That's correct, it is."

Franks: "So, I guess, if you have another... if you have a staff member or something I'd just like to know, because if it's just amending the Debt Collection Act it would not pertain to attorneys. And that's what I want to find out."

Colvin: "The Act, Representative Franks... however those provisions are currently written in the law would not change. As a lawyer, you may know, but this Act does not... those lawyers who may be acting upon... you mean, as acting on the behalf of a client? I believe the provision of the law doesn't change that."

Franks: "I know and there's the problem, because there is a Federal Law."

Colvin: "That's correct."

Franks: "And the Federal Law indicates that attorneys who collect debts for those other than themselves..."

Colvin: "It doesn't change that."

Franks: "Okay. Give me one second. I've got my expert staff here. Okay. In the… Okay. I think we have clarification.

This Bill exempts banks, for instance, and it also…"

Colvin: "That's right."

Franks: "I'm sorry, the Act."

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- Colvin: "Right. Again, what it does is harmonizes State Law with what is law at the federal level."
- Franks: "Thank you. I appreciate it. Thank you for your time."
- Speaker Hannig: "Any further discussion? Representative Colvin to close."
- Colvin: "Again, it simply harmonizes our State Laws with the Federal Laws that are already in existence I'd ask for an 'aye' vote. Thank you."
- Speaker Hannig: "The question is, 'Shall this Bill pass?' All in favor vote 'aye; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative Wait, Verschoore, McAuliffe, do you wish to be recorded? Mr. Clerk, take the record. On this question, there are 116 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. On page 12 of the Calendar, under Senate Bills-Third Reading, Representative Mautino, you have Senate Bill 1400. Out of the record. Representative Hamos, you have Senate Bill 1419. Mr. Clerk, read the Bill."
- Clerk Mahoney: "Senate Bill 1419, a Bill for an Act concerning safety. Third Reading of this Senate Bill."
- Speaker Hannig: "Representative Hamos."
- Hamos: "Thank you, Speaker, Ladies and Gentlemen. This Bill eliminates inconsistencies within the Environmental Protection Act to clarify that the Illinois EPA may adopt the federally required Clean Air Act Interstate Rule which we call CAIR. This does not expand the powers of the EPA.

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It really just takes out what is archaic language within our current laws to very clearly state that they may adopt regulations that are keeping with the Federal Clean Air Act. And that's all this Bill does. It was negotiated in the Senate, it's now agreed to by all the affected parties including the power companies such as Midwest Gen and Dynegy."

Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? The Gentleman from Vermilion, Representative Black."

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

Speaker Hannig: "She indicates she'll yield."

Black: "Mr. Speaker, can I have order in the chamber? Ladies and Gentlemen, I hope you'll all be quiet because I heard something that I just didn't believe and I want to make sure that we heard it correctly so we can get it on the record. Representative, did you, in fact, say that this Bill cleans up the inconsistencies in the Illinois Environmental Protection Act?"

Hamos: "Well, in this one little section, yes."

Black: "Oh well, then, I mean... I thought we were onto something here.

Hamos: "I was getting excited with you."

Black: "If you had a Bill that'll clean up all inconsistencies in the IEPA Act, I'm going to be a cosponsor and then I would move to adjourn. My gosh. So, it... but it really only cleans up the inconsistencies in this little bitty part?"

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Hamos: "This little teeny part, you got everybody's attention, though. That was very exciting, Representative Black."

Black: "Well, you got my attention. I think I left my coat back in the men's restroom and knocked off the door knob when I came out. Now Mo's gotta sit back there and open the door for us all night. It's only fair. He did it for you guys yesterday. So, you're providing that the Pollution Control Board may adopt emission standards that are applicable to stationary emission sources. Now what is that? Is that a power plant?"

Hamos: "I believe it might be."

Black: "A power generating plant?"

Hamos: "Yep."

Black: "Or a power plant like a red hydrangea or something?"

Hamos: "Well, I'm not sure I know all the… all of the technical aspects of this to tell you the truth."

Black: "Well, yes. I didn't mean to confuse you. I used to be a florist in the old country. But I keep forgetting. So, all you're doing is putting us in sync with Federal Law? Is that your plan?"

Hamos: "That is correct."

Black: "Okay. And you're replacing the current sulfur dioxide emission requirement. How are you doing that?"

Hamos: "Well, I think what we're trying to do is that the language was very specific as it was written into the Act. But this gives it a little bit more of a generic nature, in that it says, that they may do this as it relates to stationary emission sources, (a) if it's required by Federal Law; (b) if it's otherwise part of the State's

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Attainment Plan, and are necessary to Attain the national ambient air quality standards or; (c) that are necessary to comply with the requirements of the Federal Clean Air Act. So these are all general statements. They would... and they would guide what these rules and regs would have to be."

Black: "A foolish question, but I want to make sure of the answer. This would have no impact on a nuclear power plant, correct? 'Cause they don't burn fossil fuel."

Hamos: "I think that's... I think that's right."

Black: "Okay. And would have probably no impact on a peaker plant burning natural gas, correct?"

Hamos: "This is a sulfur dioxide emissions from coal burning power plants."

Black: "Okay. All right. Now, I have a power generating plant in my district that just switched to Wyoming coal because it's lower in sulfur than Illinois coal. But even low sulfur coal is going to have a sulfur dioxide emission, so they're still going to have to do something about emissions even though they've switched to a low sulfur coal. Correct?"

Hamos: "I would guess that's true."

Black: "Yeah. By what date does that all have to be done? Do you know? It's not a trick question, I have forgotten."

Hamos: "Yeah. I'm sorry, I know there are moveable target dates over the past ten (10) years... next ten (10) years and I just don't know exactly what they are."

Black: "Well, Representative, you and I can agree on one thing, after this Session we all better be moveable targets.

Thank you very much."

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Speaker Hannig: "The Lady from Cook, Representative Mulligan."

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

Speaker Hannig: "She indicates she'll yield."

Mulligan: "Representative, this looks like we're going back and we're allowing the EPA to do things that the Governor did by rule through JCAR or through a lot of negotiations for a long time over the past year. And it made a lot of the generators comply, or he brought them in line, shall we say, with a lot of negotiations depend... and some of them fell one by one and complied with a rule by 2009 and some of them going to 215 (sic-2015), which I guess 2015 is what the federal emissions rule and we passed one that was more stringent. So that being said, we're now letting the Illinois EPA do these rules which the Governor kind of did emergency rules that already did some of this. But yet, we have sitting out there, Senate Bill 1592 with Amendment #4 that is called the Electricity Rate Relief Act that puts a large tax on the same generators that negotiated with the Governor to spend new money in order to come compliance earlier with what the Governor wanted after this yearlong of discussion, and having the Sierra Club come and visit all the JCAR Members and all this wonderful stuff that the Governor does. But yet you're going to put a tax on them that it's going to make it very difficult for them to comply with what they've already said they would do. And in some instances, maybe they just won't go there. what happens now? What's the difference about what... between what we did by rule in JCAR and what the Governor

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and his people made them comply with and what you're now going to allow the IEPA to do?"

- Hamos: "As I understand it, Representative Mulligan, this does not expand the powers of the EPA. It clarifies that whatever rules and regs they come to Pollution Control Board with are in... compliant with the Federal Law. It just gives it a more generic statement because some of the specifics in this particular section of the EPA were somewhat archaic or not as clear as they needed to be."
- Mulligan: "Well, the Governor touted the fact that he was doing this way ahead of when the federal rule... Federal Law was going to be done and if I remember correctly, I think the Federal Law said 75 percent standard and then the Illinois rule went to 90 percent standard, according to what each individual deal was. So I'm real curious to see what the Illinois EPA and the Pollution Control Board will do with the way the rule has been changed."
- Hamos: "Well, and again, I think that if this rule was intended to be changed I don't know that the companies would have to agreed to this Bill. This was negotiated... this particular language was negotiated in the Senate and was agreed to by the State Chamber of Commerce, the IMA, et cetera and Dynegy and Ameren and Midwest Gen because it wasn't intended to expand the powers of the EPA."
- Mulligan: "Well, it's kind of dull thud after what went on in JCAR for a year, let me tell you, because they already were brought to their knees and decided to do this long before this happened. So, it's going to be interesting to see

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- what happens if we actually place a large tax on them that will add to the burden that they already have. Thank you."
- Speaker Hannig: "Any further discussion? Then Representative Hamos to close."
- Hamos: "Thank you, Ladies and Gentlemen. I think we've a good debate on this. I seek an 'aye" vote."
- Speaker Hannig: "The question is, 'shall this Bill pass?' All in favor vote 'aye; opposed 'nay.' The voting is open. Have all voted who wish? Have all voted who wish? Any... Have all voted who wish? Mr. Clerk, take the record. On this question, there are 94 voting 'yes' and 22 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Mr. Clerk, read Senate Bill 1426."
- Clerk Mahoney: "Senate Bill 1426, a Bill for an Act concerning education. Third Reading of this Senate Bill."
- Speaker Hannig: "The Gentleman from Crawford, Representative Eddy."
- Eddy: "Representative... Oh, I'm sorry. Senate Bill 1426 now contains language that allows school districts to discipline students for gross disobedience or misconduct if the student makes an explicit threat against another student, a teacher, or another school employee through electronic means. This Bill was amended recently in Education Committee. And I would be happy to answer any questions regarded to this... this new issue."
- Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? Then the question is, 'Shall

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this Bill pass?' Excuse me. Representative Monique Davis, in response."

Davis, M.: "Representative, what changes were made in the Bill?"

Eddy: "Representative, this Bill came over from the Senate as a Bill that dealt with something entirely different in the School Code; it dealt with contract bidding. And since the Bill was... was not going to move, Representative Cross requested that the Bill be used as a vehicle to move a Bill that deals with discipline of students that make explicit threats against school officials. And this basically allows the school district, by local policy, with all of the protections of due process as students would have in any other discipline situation to be disciplined for use of electronic means just... as they might for a direct threat."

Davis, M.: "Thank you, Representative."

Speaker Hannig: "Any further discussion? Then the question is, 'shall this Bill pass?' All in favor vote 'aye; opposed 'nay.' The voting is open. Have all voted who wish? Have all voted who wish? Mr. Clerk, take the record. On this question, there are 116 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Representative Hernandez, you have Senate Bill 1428. Mr. Clerk, read the Bill."

Clerk Mahoney: "Senate Bill 1428, a Bill for an Act concerning children. Third Reading of this Senate Bill."

Speaker Hannig: "Representative Hernandez."

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Hernandez: "Thank you, Spe… Speaker and Members of the House. Senate Bill 1428 adds members of a school board, the Chicago Board of Education, or the governing body of a privative school as persons required to report to the Department of Children and Family Services if they have a reasonable cause to believe a child known to them in their professional or official capacity may be an abused child or an neglected child. Currently, the list of those required to report to DCFS includes most medical personnel and school personnel. This Bill would require reporting if evidence of abuse or neglect came to light in the context of a school board meeting. I ask for your 'aye' vote."

Speaker Hannig: "This is on Order of Short debate. And on that question, the Lady from Kane, Representative Lindner."

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

Hernandez: "Yes."

Lindner: "Yes. Does this..."

Speaker Hannig: "Indicates she'll yield."

Lindner: "How did this Bill come about? Did this arise from an incident that happened?"

Hernandez: "Yes. There was an incident about two (2) years ago within my district where there was a teacher allegedly accused of molesting... the count was over seventeen (17) children. So this... did become... did come before the board and we are just trying to add members of the board... to be able to report, as well."

Lindner: "Okay. Now, would a school board member have to see this, personally? How would they discover this? Would

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this be something that they were told or would they have to actually see a violation?"

Hernandez: "I believe they would have to see it. It would have to come to their attention in order for them to report it."

Lindner: "Well, I mean if there's... if say there's a rumor and somebody told a school board member; you know, I heard this. All right. I heard that this happened or a child told me this or something, would they be mandated to report that then?"

Hernandez: "If it's at a school board meeting, yes."

Lindner: "So, if they're told this outside of a school board meeting they don't have to report it?"

Hernandez: "I think... if... well, it's within their professional capacity, they would have to report."

Lindner: "Okay. But it... so if they're... if they're in their home and they get a phone call from a neighbor or something, that said I heard this rumor about a teacher sexually abusing a child or something and it was not substantiated in any way, would they have to report that?"

Hernandez: "If they have a reasonable cause, yes."

Lindner: "If they have what?"

Hernandez: "A reasonable cause."

Lindner: "Okay. How would you define 'reasonable cause'?"

Hernandez: "That is the current standard for medical personnel or school personnel, currently. So they would follow... we wouldn't change that language at all."

Lindner: "Okay. Is that defined in the Bill? Is 'reasonable cause' defined in the Bill?

Hernandez: "Just a moment, Representative."

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Speaker Hannig: "Representative Lindner, have you finished your questioning?"

Lindner: "No, I was waiting for an answer, I think. Wasn't I?"

Speaker Hannig: "Perhaps you could..."

Hernandez: "It's not defined in the statute.

Lindner: "Okay. And there are... there are criminal penalties, it that correct, the criminal penalties that are already in the statute?"

Hernandez: "There are penalties. Yes."

Lindner: "All right. So, I guess my point is if you have to have reasonable cause who would decide that standard whether that school board member, you know, should have reported something? And then if the school board member doesn't and some... whoever decides that there was reasonable cause then that school board member could either be guilty of a misdemeanor or felony. Is that correct?"

Hernandez: "It would be up to the proper authorities I would think if..."

Speaker Hannig: "Representative Lindner, your time has expired.

Do you have any... any... would you like to conclude your remarks?"

Lindner: "No, thank you. Thank you."

Speaker Hannig: "Okay. Repre... the Gentleman from Vermilion, Representative Black."

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

Speaker Hannig: "She indicates she'll yield."

Black: "Representative, I've been trying to figure this out and listen to the discussion. I... for the life of me, I don't know what this Bill does that isn't already covered under

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Public Act 94-888. The only... the only thing I can see that isn't covered under the existing law that says, a school board member while acting as a school board member in either open or executive session sees child abuse or neglect, that school board member must report it. Now, how would a school board member see child abuse or neglect in his or her official capacity as a school board member, only in a public meeting or executive session? I mean, nobody's going to smack somebody at the school board meeting or certainly, in executive session. I... I don't know what this Bill does. I have no clue to what you are trying to do here."

Hernandez: "Well, based what happened within my district, this was brought to the… a board meeting and at the time the board members were not required to report. So it could have been reported at that time."

Black: "Well, how long ago was this?"

Hernandez: "I would say it's approximately about two (2) years ago when this happened. I mean..."

Black: "All right. Fine. But we do have that law now, Public Act 94-888. They are school board members, our mandated reporters. So, I... it appears to me that what you're doing has already been done."

Hernandez: "So, I'm just reading off the language. 'If an allegation is raised to a school board member during the course of an open or closed school board meeting, that a child who is enrolled in the school district of which he or she is a board member is an abused child or as defined in Section 3 of this Act, the member shall direct or cause the

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school board to direct the superintendent of the school district or other equivalent school administrator to comply with the requirements of this Act.'"

Black: "Bear with me, Mr. Speaker, we're looking at the Bill with staff. Representative, excuse us just a second. Representative, thank you very much for your patience. It appears that what you are doing, and thanks to staff, is when we passed the Act of... in the 94th General Assembly we evidently didn't put school board members in the right Section. And so you're simply moving them to the Section where everybody else is listed and that now makes sense to me. Thank you very much for your patience."

Speaker Hannig: "Representative Acevedo. Representative Eddy."

Eddy: "Thank you very much. I think Representative Black just stated it absolutely correctly that this is... this is simply... when we did this a couple of years ago, we did not put it in the mandated reporting Section and this simply clears that up and takes care of that issue. I think that's what I understand this to do. School board members in their capacity as a school board member now have a mandate to report suspected child abuse. This simply cleans up in another part of the Code and makes that language applicable where it needs to be, I think."

Speaker Hannig: "So we have had two (2) speak in favor and two (2) speak in response. And Representative Miller, you're recognized for 5 minutes."

Miller: "Thank you, Mr. Speaker. Will the Sponsor yield?" Speaker Hannig: "She indicates she'll yield."

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Miller: "Just to follow Representative Eddy. Is there any issues in regards to confidentiality of... within school board members reporting activities of a specific child of abuse to authorities?"

Hernandez: "No."

Miller: "Okay. And once again, as far as you see it, this is not to... if a parent or somebody came to a school board meeting and said that my child is being abused in some form, is it up to the school board then to report it or is it up to the school itself to find... to actively foresee an event... initiate an investigation or how do you view this happening?"

Hernandez: "The school board member would be able to report it to DCFS."

Miller: "So, at this point, right now, if a parent came to a school board meeting or confided in a school board member that their child or a child is being abuse... abused then they have an obligation to report is to authorities or do... will they report it to their principal or superintendent or how did you... how does this work?"

Hernandez: "It is likely that they would work with the administrator in following through with the report."

Miller: "Okay. Just... what I'm trying to get at is that some parent who is just upset at the school for whatever reason, just says that a child is being abused by, you know, a Mr. X and it's unfounded, it's unwarranted. It's just really retribution. And at least there is due process that is in place that a parent... that a administrator or... will have some kind of rights that is

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bestowed upon them if this accusation is made. Is that your intent of this?"

Hernandez: "Yes, Representative."

Miller: "Okay. Thank you."

Speaker Hannig: "Any further discussion? Representative Hernandez to close."

Hernandez: "I ask for your 'aye' vote."

Speaker Hannig: "The question is, 'shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative... Mr. Clerk, take the record. On this question, there are 116 voting 'yes' and 0 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Representative Dunkin, you have Senate Bill 1433. Representative Dunkin, do you wish us to read this Bill? Do you wish us to read this Bill? Mr. Clerk, read the Bill."

Clerk Mahoney: "Senate Bill 1433 a Bill for an Act concerning revenue. Third Reading of this Senate Bill."

Speaker Hannig: "Representative Dunkin."

Dunkin: "Thank you, Mr. Speaker and Members of the House. Senate Bill 1433 is a Bill that simply exempts the Illinois Institute of Technology from retail sales tax on transfer of the cigarettes to not-for-profit research institutions that conduct tests on health effects of tobacco products and they do not offer them for resale. And I would encourage and ask for an 'aye' vote."

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Speaker Hannig: "This is on the Order of Short Debate. Does anyone stand in response? The Gentleman from Winnebago, Representative Sacia."

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

Speaker Hannig: "Indicates he'll yield."

Sacia: "Representative, wouldn't... wouldn't the research organization have a tax-exempt status?"

Dunkin: "You know, you would think so, but in this case that's not... that wasn't the case. But because... because they actually... they have a not-for-profit tax status... tax-exempt status. But they have to acquire these cigarettes from non-... or from for-profit organizations. So in other words, they go to a store, a major manufacturer in let's say North Carolina, where they manufacturer a lot of tobacco products."

Sacia: "Okay."

Dunkin: "If they get them from there, that is a retail operation or a wholesale operation and so this simply would exempt them at least with Illinois tax and city tax."

Sacia: "But that being said, wouldn't they... if they're doing research I'm under the assumption they're purchasing a large number of cigarettes, cartons, boxes perhaps, and they're going to want to, not have to pay tax. But wouldn't the Illinois Department of Revenue automatically, if they applied, issue them tax-exempt status? I mean, it just seems rather strange that we have to have legislation to create that, when all they would have to do is make application through the Illinois Department of Revenue."

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Dunkin: "Yeah. I was under that impression, as well, but apparently not."

Sacia: "Okay. Thank you, Sir."

Dunkin: "Thank you."

Speaker Hannig: "Representative Molaro."

Molaro: "Did you... did you call on me, Mr. Speaker?"

Speaker Hannig: "Yes. Representative Molaro."

Molaro: "Okay, thanks. Let me ask you this, Representative Dunkin. It says here, the transfer of cigarettes are notfor-profit research institution that conducts tests concerning the health insurance or tobacco products and who does not offer the cigarette for resale. How do I know these researchers aren't going to come and buy these cigarettes and then have them for their own use? What do you have in your Bill if you catch them doing it?"

Dunkin: "Well..."

Molaro: They're... just trying to get around the tax."

Dunkin: "Yeah. A great question. Actually the only people who smoke these cigarettes, Representative, are rats, white rats and other research mammals."

Molaro: "Well, you know, there are some... what if one of these researchers wants to be a rat and try to get around paying the tax? What are you going to do about it? What are our state revenuers going to do about it? What's in the Bill, is that like a Class II felony or what?"

Dunkin: "That's another very good question. I'm not sure, but the mice and the rats that... the white rats and the white mouse..."

Molaro: "Well..."

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Dunkin: "...mice that they utilized this year, they tend not to...
they don't pay any taxes and we're just doing research on
them. We want to be exempt. So I would encourage an 'aye'
vote as a result of that."

Speaker Hannig: "Representative Eddy."

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

Speaker Hannig: "Indicates he'll yield."

Eddy: "Representative, do you have any idea what the revenue projection might be regarding the money involved here?"

Dunkin: "I'm not... I don't have my... my numbers in front of me right now. But as I recall, it was about... the city collected more than the state, I know that. I want to say it was about maybe forty to sixty thousand dollars (\$40,000 to \$60,000) in taxes... I'm sorry. Just one second."

Eddy: "Okay."

Dunkin: "In total with the city and the state and county taxes came up to about two hundred thousand dollars (\$200,000)."

Eddy: "Do we know how much the rats are responsible for?"

Dunkin: "A third good question."

Eddy: "The rats are responsible for how much of the taxed collected on cigarettes... that we're exempting? Do we know how much exactly?"

Dunkin: "It's about and this is off the top of my head, it's about thirty-eight thousand dollars, six hundred and twenty-nine and fourteen cents (\$38,629.14), if I can recall."

Eddy: "So are we creating a corporate loophole for rats?"

Dunkin: "Rodents, yes."

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- Eddy: "We are... we are creating a loophole that will cost the state thirty-eight thousand dollars (\$38,000) for rats."
- Dunkin: "No. You know, it's not that simple. This is...

  Representative, this is for... in all seriousness, this is
  for educational research, cancerous research that... and it's
  a major intuition here in this university are sponsoring."
- Eddy: "Representative, I support the legislation. I just want to point out that ironically, as we are reading media reports regarding the absolute necessity to close some egregious loopholes, that we are in fact, looking at a loophole for rodents. And I understand the necessity of the rodent loophole."
- Dunkin: "This is... Representative, this is just like in most of our great universities here, private and public, this is for research purposes, cancerous research purposes and it is a major grant from the..."
- Eddy: "I am absolutely not disputing the need to create the loop... I'm just pointing out that we are creating it. And I'm actually going to vote for that. I'm just want to make sure we know that just prior to the great closing, we have the great opening. Thank you."
- Speaker Hannig: "Any further discussion? Representative Dunkin to close."
- Dunkin: "Thank you."
- Speaker Hannig: Representative Dunkin to close. Representative Dunkin, do you wish to close? The question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who

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- wish? Have all voted who wish? It's getting better, Representative. Have all voted who wish? Have all voted who wish? Have all voted who wish? Last call. Have all voted who wish? Mr. Clerk, take the record. On this question, there are 99 voting 'yes' and 17 voting 'no'. And this Bill, having received a Constitutional Majority, is hereby declared passed. Representative Stephens, for what reason do you rise?"
- Stephens: "Mr. Speaker, the rules are the rules and the Gentleman clearly indicated to you to take the Bill out of the record. I know the signal, Representative, am I wrong?"
- Speaker Hannig: "On Supplemental Calendar #1, under the Order of Senate Bills-Second Reading, is Senate Bill 13. Mr. Clerk, read the Bill."
- Clerk Mahoney: "Senate Bill 13, a Bill for an Act concerning revenue. Second Reading of this Senate Bill. Amendment #1 was adopted in committee. Floor Amendment..."
- Speaker Hannig: "Okay. Let's take this Bill out of the record just a second. Mr. Clerk, read the Rules Report."
- Clerk Mahoney: "Rules Report. Representative Barbara Flynn Currie, Chairperson from the Committee on Rules, to which the following legislative measures and/or Joint Action Motion were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: 'approved for floor consideration' is Amendment #2 to Senate Bill 13, Amendment #1 to Senate Bill 1132, Amendment #2 to Senate Bill 1544, and Amendment #3 to Senate Bill 1674."

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- Speaker Hannig: "And now, Mr. Clerk, read Senate Bill 13."
- Clerk Mahoney: "Senate Bill 13, a Bill for an Act concerning revenue. Second Reading of this Senate Bill. Amendment #1 was adopted in committee. Floor Amendment #2, offered by Representative Currie, has been approved for consideration."
- Speaker Hannig: "Representative Currie."
- Currie: "Thank you, Speaker and Members of the House.

  Amendment #2 was a technical Amendment and I would urge your adoption."
- Speaker Hannig: "Is there any discussion? Then all in favor of the Amendment say 'aye'; opposed 'nay'. The 'ayes' have it. And the Amendment is adopted. Any further Amendments?"
- Clerk Mahoney: "No further Amendments. No Motions filed."
- Speaker Hannig: "Third Reading. On page 13 of the Calendar, is... under the Order of Senate Bills-Third Reading, is Senate Bill 1544. Mr. Clerk, read the Bill. Mr. Clerk, let's return that Bill to the Order of Second Reading. And I am advised there are some Amendments. Are there any Amendments?"
- Clerk Mahoney: "Two Amendments on Senate Bill 1544. Floor Amendment #1 and Floor Amendment #2 have both been approved for consideration, offered by Representative Currie."
- Speaker Hannig: "Representative Currie."
- Currie: "Thank you, Mr. Speaker and Members of the House. This Amendment would close some corporate loopholes in the Illinois Income Tax Code and would bring into the state approximately three hundred million dollars (\$300,000,000). There were no groups, no business groups that signed in, in

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opposition to the measure when we heard it in the Revenue Committee this morning and the Members of the committee adopted the measure and let me just briefly go through with you what these changes would be. First, there would be a one-time opportunity for businesses that owe income taxes and haven't paid them to pony up and they would not have to face all of the penalties that usually would Second, for nonresidents who are partners or are subchapter shareholders we would apply income withholding, many of them do not bother to file income tax statements with Illinois at the end of the year and this make sure they would pay their fair shor... share. Today corporations can deduct when they buy state and municipal bonds, of net of expenses, but Illinois taxpayers get a double deduction if they're going in the direction of federal bonds. would say they get same kind of deductions for federal as they do currently for state and municipal bonds, it would bring everything on the same kind of keel. Right now, if a company's in bankruptcy and in a bankruptcy proceeding, a judge says with do not owe a debt, the debt is discharged, they're still entitled to deduct that debt from their bottom business line. At the same time, the person to whom they owe debt is also allowed to deduct that debt. double deductions are cheating the rest of the taxpayers and this would end that, only the person who is... still is owed the uncollectible debt would be allowed to deduct it Third, sometimes for... for from its income tax return. reasons of... of tax activity, companies create affiliates and they use those affiliates to avoid paying

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their fair share of state taxes. They send the logo to the company that's registered some place else, then they rent it back and they say that that rental is, in fact, a deduction that they can take against their state income You'll have read recently that... that many companies are engaged in this kind of activity and again, they do it only for tax avoidance purposes, not because, in fact, there is a... a separate relationship. Right now, if you're a... a manufacturer doing business in Illinois we use the single sales factor to figure out how much income is owed here in this state. So, if they do 10 percent of their sales in Illinois, they pay 10 percent of their income sometimes, particularly for But the industry, they follow a different rule, a 50 percent rule, and when you are talking about telecommunications or productions of energy when there are lots of different places where that company is in business, it is easy to conclude that the actual tax that comes to Illinois is... is much lower than we would find fair under the usual kind of apportionment. So what this would say is that if Illinois customer, telephone customer, makes a call to an Illinois resident someplace else that that tax will apply on the destination even if the wiring took the... the juice out of state. So for both... both energy companies we will the point where the meter is telecommunications we'll tax at the end point of the sale. Today, car rental companies don't pay sale taxes on the cars that they buy and then rent. We would end that exemption and we would also disallow what currently are

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dividends that... that people who are engaged... corporations engaged in real estate investment trusts are able to deduct. They are able to deduct because the Federal Government allows it, but we never decided on the basis of fair public policy, we should do that in Illinois. So, this would end that opportunity. You'll have read recently that Wal-Mart has managed to avoid paying income taxes all over the country by doing its buildings in real estate investment trusts. Wal-Mart isn't paying its fair share. This Amendment would make sure that in the future they will. So that's..."

Speaker Hannig: "The Ladies moves...

Currie: "...that's the list. I'd appreciate your questions. And I would also appreciate your support for adoption of the Amendment."

Speaker Hannig: "On the Amendment, Representative Holbrook."

- Holbrook: "Thank you. A question of the Clerk. I believe I signed this Bill over to Representative Currie. Would you please make the change on the board for me?"
- Speaker Hannig: "So Mr. Clerk, the sponsorship belongs with Representative Currie. All in favor of the Amendment say 'aye'; opposed 'nay'. The 'ayes' have it. And the Amendment is adopted. Any further Amendments?"
- Clerk Mahoney: "Floor Amendment #2, offered by Representative Currie is approved for consideration."
- Currie: "Thank you, Speaker. Amendment #2 is a very technical Amendment and I would appreciate your support for its adoption."

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- Speaker Hannig: "Any discussion? Then all in favor of the Amendment say 'aye'; opposed 'nay'. The 'ayes' have it. The Amendment is adopted. Any further Amendments?"
- Clerk Mahoney: "No further Amendments. No Motions filed."
- Speaker Hannig: "Third Reading. We would like to announce that our State Treasurer is in the rear of the chamber. And we'll welcome him here to the Capitol, Alexi Giannoulias. So, Mr. Clerk, read Senate Bill 1544."
- Clerk Mahoney: "Senate Bill 1544, a Bill for an Act concerning revenue. Third Reading of this Senate Bill."
- Speaker Hannig: "We're going to take this out of the record at the request of the Sponsor. On page 20 of the Calendar, under the Order of Senate Bills-Second Reading, is Senate Bill 1674. Mr. Clerk, read the Bill."
- Clerk Mahoney: "Senate Bill 1674 has been read a second time, previously. Amendment #1 was adopted in committee. Floor Amendments 2 and 3 have both been approved for consideration."
- Speaker Hannig: "And on Amendment #2, Representative Lyons."
- Lyons: "Thank you, Mr. Speaker. I think I want to withdraw Floor Amendment #2, the body of which will be included in Amendment #3."
- Speaker Hannig: "Okay. Okay. So, the Gentleman withdraws Amendment #2. And Mr. Clerk, are there other Amendments?"
- Clerk Mahoney: "Floor Amendment #3, offered by Representative Lyons, has been approved for consideration."
- Speaker Hannig: "Representative Lyons."
- Lyons: "Amendment #3 basically has the changes from Amendment #2 incorporated in with it along a couple of technical

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- changes that were found in the Bill. So, these are technical changes to make the Bill complete."
- Speaker Hannig: "Is there any discussion? Then all in favor of the Amendment say... Excuse me. The Gentleman from Vermilion, Representative Black."
- Black: "Thank you very much, Mr. Speaker. An inquiry of the Chair."
- Speaker Hannig: "State your inquiry."
- Black: "Is Floor Amendment #3 on the system? It isn't on ours."
- Speaker Hannig: "Mr. Clerk, what's the status of Floor Amendment #3 and does it show up on the system? Yes. It's actually pending, but the question, Mr. Clerk, is it on the system?"
- Clerk Mahoney: "Floor Amendment #3 is showing on the system."
- Black: "You're... you are right, Mr. Speaker. I am looking at the wrong sheet. It... it's... the actual Amendment is on the system, but we haven't had time to... Well, we just got it, so staff hasn't had the time to... to analyze it. Will the Sponsor yield?"
- Speaker Hannig: "He indicates he'll yield."
- Black: "Representative, it's difficult because we only have one copy of the Amendment. What is a loan solicitor?"
- Lyons: "Pardon me. Repeat that again. What is a what, Rep...?"
- Black: "What is a loan solicitor? It's outlined in the Bill.

  I thought that was a cabinet level official in the English

  Parliament."
- Lyons: "The definition of a 'loan solicitor' I am not familiar with, Representative Black."

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Black: "Well, that's in... that's in the Amendment."

Lyons: "Loan originator or loan solicitor, loan solicitor?"

Black: "Well, all right, we won't Anglicize it. We'll call it a loan originator."

Lyons: "Representative, the loan solicitors are... are licensed under RMLA, but they do not perform the same function of a loan originator. So..."

Black: "What... what's the difference? I mean, what... we're... we're carving out some kind of special arrangement for them. And I... I don't... what is the difference?

Lyons: "I'm having a hard time even hearing him."

Black: "What's the difference? A loan solicitor, a loan originator, the Lone Ranger, I mean, these are all terms.

What's the difference between an originator and a solicitor?"

Lyons: "A loan originator is not licensed under RMLA, a loan solicitor is. The one major difference there."

Black: "So, the loan solicitor is not licensed? So..."

Lyons: "They are licensed."

Black: "They are licensed."

Lyons: "Right."

Black: "So, they would work then for a mortgage company, correct?"

Lyons: "They would work for a national bank, Representative."

Black: "Oh, they would... National bank lenders... people who do lending in national banks are licensed?"

Lyons: "Loan solicitors are people who work on behalf of trying to find people loans. But they are not... they are exempt

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from the... they are exempt from changing the loan terms, also, Representative."

Black: "Well, with that definition it could be anybody that works for the Governor in the Department of Revenue. They're always out looking for money, but they're not loan solicitors, are they? What... what's a loan originator? Does a loan originator work for a national bank or does the loan originator work for a mortgage company?"

Lyons: "Loan originator could work for a national bank or for a mortgage."

Black: "Or... or be independent."

Lyons: "Right. Correct."

Black: "And the loan originator is not licensed, correct?"

Lyons: "Correct."

Black: "So, what... what are we carving out here?"

Lyons: "Pardon me, Mr. Black, couldn't hear you."

Black: "What... what are we carving out? I mean, I don't know what... what differences are we trying to formulate here?"

Lyons: "Representative, would it be... on the definition of this would it be out of order for us to have staff on the purpose of definition on this? I mean, the Bill... the Bill is huge. I mean, it..."

Black: "I... I will be glad to listen to anything that your staff or our staff has to say, Representative. And I'm glad you said that because our point is we haven't had this long enough to even read it, let alone analyze it. That's the problem. And I think, in all due respect to you, I think you're in the same boat. I... I'm not sure you have had time, and I'm not questioning your veracity or your

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ability, I would never do that, but I... I think we're... we're presenting something that you haven't seen and really had a chance to sit down and read. And I can guarantee you we haven't had a chance to read it on our side of the aisle at all."

Lyons: "Representative, most of what was included in Amendment 3 was included in Amendment #2 this morning, which we ran in committee in Financial Institutions. So, there were some technical changes made in drafting errors for Amendment #2. So, I don't imagine there's a tremendous amount of difference between Amendment 2 and Amendment 3 that's now posted, hopefully, on your analysis."

Black: "So..."

Lyons: "So, and I guess... staff is also telling me,
Representative Black, that this was actually included..."

Black: "Okay."

Lyons: "...in the technical changes..."

Black: "Okay."

Lyons: "...so loan solicitors would not be included in the Act."

Black: "So, is there language in this Amendment that reduces the fees that national banks pay?"

Lyons: "Representative Black, I'm having a hard time hearing you. My apologies."

Black: "All right."

Speaker Hannig: "Representative, your time has expired on the Amendment, but I understand your situation. Why don't I give you, what... an extra 5 minutes?"

Black: "Mr. Speaker, my time run out because he can't hear me because of the noise in the chamber. But let me... let me,

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get back to that question. This Amendment, does this Amendment reduce or eliminate fees that national banks pay, currently, to originate or set up loans?"

Lyons: "Yes."

Black: "But it doesn't reduce or eliminate fees that mortgage brokers would pay, correct?"

Lyons: "Correct."

Black: "Oh. So, bankers, good, mortgage brokers, bad. Right?"

Lyons: "Not all the time, Representative. No."

Black: "Okay. Well, I mean, that.... You know, you've... you've seen the old Saturday soap operas where the banker is trying to foreclose on... on the, the lovely Priscilla, whatever, you know and he twirls his mustache, 'You must pay the mortgage. I can't pay the mortgage.' Yeah, it's... So, this... this is kind of the 21st century bankers' revision Bill, correct?"

Lyons: "To an extent, you could..."

Black: "All right, okay."

Lyons: "...interpret it that way."

Black: "Who originates most mortgages today, national banks or mortgage brokers?"

Lyons: "Probably today, Representative, mortgage brokers."

Blacks: "Mortgage brokers. Okay, Representative, I... I appreciate as always your... your willingness to try and answer the question. I... Mr. Speaker, I... I just simply rise in a calm and rational... I am so calm and rational, I can't think of the word. Objection, objection might be the right word, that you're running this before we've even had a chance to read it. And you're in the Majority. You can do

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that. I don't know why you want to do that. Well, I do too. I know why you want to do that, but I don't think it's right. But we'll… we'll see it, I guess, when the Bill is up and we'll do the best we can with the very limited time we've had to study, what appears to be, a very complicated Amendment. But I do thank you for your time."

Speaker Hannig: "Representative Osmond on the Amendment."

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

Speaker Hannig: "He indicates he'll yield."

Osmond: "Representative, is it not true that bank loan officers are not licensed?"

Lyons: "I'm not sure, Representative. I don't know. Bank loan officers are not licensed."

Osmond: "That's right. Mortgage brokers are licensed."

Lyons: "Correct."

Osmond: "So, they have a little bit more education in... in how to determine if a candidate is eligible for a loan. My question is that, as we understand this Amendment, there's a personal liability put on there if the consumer does not understand what he is being told by the mortgage broker. Is that correct?"

Lyons: "Yes."

Osmond: "And it's on personal liability, it's his assets, his or her assets. Now, I guess we understand this to be only for Cook County. Is that correct?"

Lyons: "Representative, the… some of the parts of this Bill on the 40/50 requirements would be applicable to Cook County, but this would be in the statute and apply statewide."

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Osmond: "So, if this goes into effect and it's signed by the Governor, this particular... Amendment will deal with an increase of three hundred dollar (\$300) fee for all mortgage brokers throughout the state."

Lyons: "Correct."

Osmond: "But yet, the first part of this is only dealing with Cook County."

Lyons: "Correct, Representative. We talked about that in committee this morning. That the vast majority of the organizations involved in this are in the greater Cook County area. Yes, there are places throughout the state, but the vast majority, 90 percent of the numbers I was given, are in the greater Chicagoland area."

Osmond: "Could you answer the question? This particular Bill has what no other person in this chamber could do. This has exempt from sweeps."

Lyons: "Correct."

Osmond: "How did you get that?"

Lyons: "Pardon me, Representative?"

Osmond: "How were you able to obtain that? Every other one that we send out comes back with... with taking that out of the Bill."

Lyons: "We drafted it in the language of the legislation, Representative."

Osmond: "Well, two (2) of my Bills had that, but it's gone. They took it out, so, you have greater power. How do you the answer the question if you have a... a person who has assets in a retirement account and she wishes to buy a house and 50 percent of... of the sale of her house is going

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to purchase a new house and the other 50 percent is going to be for her to live on for the next two (2) years while she furthers her education. She has an eight hundred and fifteen (815) credit score. She has no debt. But she has zero income. This would prohibit a mortgage broker from being able to help her."

Lyons: "Understanding of the Bill is they could verify the assets in... any... any way available to them and they wouldn't be able to subject to..."

Osmond: "But in your Bill you state that they have to have means to repay it. And that you have to have income verification. And if there's no income, then she wouldn't be qualified for the loan."

Lyons: "It's the ability to repay would not be solely dependent on the income, Representative."

Osmond: "What is the effective date if... if this is signed into law?"

Lyons: "It would take effect on the Governor's signature."

Osmond: "So, as soon as it's signed it takes effect."

Lyons: "As soon it's signed it would take effect."

Osmond: "Wasn't there a... a previous Bill 4050 a few yea..."

Speaker Hannig: "Representative, your... your time has expired.

Could you bring your remarks to a close, please?"

Osmond: "Thank you. One quick question. Wasn't there a Bill a very short time ago, two (2) years ago, that did a pilot program? How was this pilot program something that led into developing a whole Cook County program?"

Lyons: "Yes, there was... House Bill 4050 that did take effect and many of those provisions have been changed in this

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- Bill. Some of the counseling was required on a credit score. There's different criteria in this Bill that do not reflect that. And there are also different provisions in this Bill which make it distinct from (sic-Bill) 4050 but keep the counseling requirements there, but under different sets of circumstances and not dependent solely on the credit score."
- Osmond: "Thank you, Representative. I would encourage everyone to look closely at this Bill. It's under the consumer fraud, but I really... or predator lending and I really think you need to look at it closer... closer look at this. And I would suggest an 'aye'... a 'no' vote."
- Speaker Hannig: "Is there any further discussion? Then all in favor of the Amendment say 'aye'; opposed 'nay'. The 'ayes' have it. And the Amendment is adopted. Any further Amendments?"
- Clerk Mahoney: "No further Amendments. However, a note has been requested on House Amendment #3 and not yet filed."
- Speaker Hannig: "Representative Lyons."
- Lyons: "Mr. Speaker, it's my understanding the fiscal note was put on this... this Bill and I'd make the Motion to have it deemed inapplicable."
- Speaker Hannig: "So, the Gentleman moves that the fiscal note be ruled inapplicable. So, shall the fiscal note be ruled inapplicable? All those in favor vote... Excuse me, Representative Black."

Black: "Inquiry of the Chair."

Speaker Hannig: "State your inquiry."

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Black: "A Motion to rule a note inapplicable is a debatable Motion, is it not?"

Speaker Hannig: "It is, Representative."

Black: "Okay. I just wanted to make sure. I... I saw the official interpreter of the rules standing by your side and I just wanted to make sure, you know. He's new. We're still trying to feel him out..."

Speaker Hannig: "We're breaking him in, Representative Black."

Black: "...you know, see how he works, whether he's going to be fair. I want to be fair. It wouldn't be prudent for him not to be fair. Will... will the maker of the Motion yield?"

Speaker Hannig: "He indicates he'll yield."

Black: "Representative, in all due respect and I know you're under a time line and you want to move this as quickly as possible, but could you explain to me how this Amendment or this Bill as amended would not have a fiscal impact?"

Lyons: "Have no fiscal impact to the State of Illinois. It's all financed through its own merits on... through the business that it affects and through the fee that we're trying to impose."

Black: "Oh... oh, yeah, that's a pretty good response, but you and I have both been around here long enough to know, who's going to administer this Bill? Will it be the Department of Revenue, Financial Institutions? Some state agency is going to administer this... this Bill, should it become law."

Lyons: "It'll... will be the Department of Regulation, Financial Institutions will..."

Black: "Okay. All right."

Lyons: "...regulate the Bill."

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- Black: "All we're asking, and you're in the Majority Party, you can get a fiscal note in 15, 30 minutes, whatever it is. There... there will be expense to the department. There will be expense to the taxpayer. There will be time, energy, and effort to set up the applicable rules to carry out this Bill. Now, all we'd like to know, in the opinion of the department, does it... will this require one (1) new employee, no new employees, a hundred (100) new employees? Yeah, we... we would just like some idea of what it's going to cost to implement the Bill. All Bills have a cost because we have to implement the rules and have people to carry them out."
- Lyons: "Representative, I don't... I don't know what the... the employee level that would be required to implement this Bill."
- Black: "Well, that's... that's why you file a note. You try to find out, as best you can, what the agency that's going to be charged with implementing the Bill or the law would... would assume that they will have to pay to do this."
- Lyons: "Representative, the program has been in existence, not in the form that it's going to, but it has been in existence."

Black: "Oh, okay.

Lyons: "So, there are people who are monitoring it to some level. How much more of a burden this would be... I... I don't know. It's minimal..."

Black: "Let me ask you one..."

Lyons: "...'cause if the plan is to phase this in over time any way, so."

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Black: "Okay. Let me ask you one obvious question then. What's the financial impact of the fee rollback on national banks? I have a hunch that's not an inconsequential amount of money, money that now comes to the state so we can spend it on door knobs and other... oh... items."

Lyons: "Representative, you'd..."

Black: "By the way, thank you for getting the door knob fixed on the bathroom door."

Lyons: "Representative, you're talking about first part of the Bill which was 1526 on the rollback of the fees?"

Black: "Yeah. Well, that's part of the Bill."

Lyons: "It's the first part of the Bill. That's my original Bill, House Bill 157...26(1526), that I sponsored and was amended into this. That... as you probably know, most of the money from those original expenses that were leftover and then swept or... are being held up in court right now. There's a court case pending on that..."

Black: "Okay. Then..."

Lyons: "...so the state hasn't realized anything on that. This just... from this point forward..."

Black: "Well..."

Lyons: "...prevents those funds for the credit unions and banks from being swept."

Black: "Well, then I... I think a reasonable ques... how much money is tied up in that court case? One million (1,000,000), three million (3,000,000), ten million (10,000,000)?"

Lyons: "Represent... no. I think there's... on an annual basis, I don't know. There's... there's somewhere in the vicinity... I... from recollection, probably forty (\$40,000,000), fifty

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(\$50,000,000) million dollars sitting in escrow... sitting in a... an escrow..."

Black: "Okay."

Lyons: "...waiting to be acted on by the..."

Black: "Well..."

Lyons: "...courts or by agreement."

Black: "You're... you're a fair man. I want to make sure that I'm... I'm doing this correctly. The roll... the fee rollback language is now embodied in (sic-Bill) 1674, correct?"

Lyons: "Correct."

"All right. So, that's a legitimate question and a Black: legitimate reason for a fiscal note. There are a lot of things in this Bill that will have a fiscal impact. I don't… you know, I don't want to belabor the point, but I... I think to say that a substan... substantive Bill that changes and does things as much as this one appears to do, would certainly have a fiscal impact and that's the only reason that we filed the note. I... I hope you don't think we filed the note just to delay the inevitable passage of this legislation. I mean, I... I'll I would... I would take no part in that. I'll... delay, oh, that's... I'd have nothing to do with that. I mean, you can ask the Speaker. I just want to know what it's going to cost because when I go home, they're going to ask me. Well..."

Speaker Hannig: "Representative, your... your time has expired.

Could you bring your remarks to a close, please?"

Black: "Yes, I will, Mr. Speaker. But I have one request of the Chair. Could I have a timekeeper check my... my 5 minutes seems to run out a lot faster than somebody... then

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some of the others on your side of the aisle. I was listening to debate awhile ago and I was timing... Well, Mr. Dunkin wasn't on a timer, but he went on for 14 minutes about a rat smoking a cigarette. And I get... I get 5 minutes and it seems like it just goes by so quickly. I mean, at my age I... I have an inquiry of the Chair. Why did I get up in the first place? I don't think I ever got an answer to the question. But whatever it was, oh, it was a fiscal note. Well, I just want to go on record and say I think this costs money and the fiscal note should be applicable. And thank you very much for your time and your patience, Representative. You're going to be as old as I am someday and it won't be so funny then."

Speaker Hannig: "Representative Cross."

Cross: "Thank you, Mr. Speaker. And I... Representative Black made about as good a point or points as you can, but Representative Lyons, if we were interested in delay we would've filed ten (10) different notes. I think that we've... we've asked a legitimate question with this note with respect to what happens with the Department of Financial Institutions. What's the fiscal impact? What does it take, a half hour to an hour to get an answer? It seems to me to... in the interest of... of a good Bill with a fair analysis that you pull this thing out of the record and you get... you get the... you get the request honored."

Lyons: "Representative Cross, as you know..."

Cross: "Or withdraw the Motion, I guess I should say."

Lyons: "...time is precious as we go into the final hours of the Assembly and I'm just requesting this because of the time

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constraints and would be hopeful that whoever instituted it, your side of the aisle or mine, that they consider pulling the… pulling the note off so we could move legislation."

Cross: "I don't want to speak for the Gentleman that filed it and... and I think he filed it with good reason. If ... again, if we'd wanted to cause all kinds of delays, we would've filed ten (10) different note requests. We would've gone down to... had a Motion on ten (10) of them to rule them inna... inapplicable. We don't want to do that. This is a legitimate, fair request and I'm puzzled why the... the rush to do this. I... I realize we're going to ... we're all the ... the budget is about done and we're going to go home tomorrow night. And I am excited about that. I... I know that the... the end is near. But this is an opportunity and a fair request to get a little, shed a little light on this budget... on this Bill. So, I would again... you guys, as Bill Black said, you got the votes. And I think it's a simple request. And I think it is a fair request. And I would... would... would at least ask you once more to give some consideration with... withdrawing your Motion. Thank you, Mr. Speaker."

Speaker Hannig: "The Gentleman moves that the fiscal note be ruled inapplicable. Those... all those in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, take the record. There are 66 voting 'yes' and 50 voting 'no'. And the Motion prevails. And the fiscal note is ruled inapplicable. Mr. Clerk, read the Bill.

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Clerk, move the Bill to Third Reading. Third Reading. And read the Bill."

Clerk Mahoney: "Senate Bill 1674, a Bill for an Act concerning regulation. Third Reading of this Senate Bill."

Speaker Hannig: "Representative Lyons, are you handling the Bill? Representative Lyons."

"Thank you, Mr. Speaker and Ladies and Gentlemen of the Lvons: House. Let me explain to you what the Bill does do. 1674 took my original 1526, which as was talked about, did reduce the... the fees that were put in effect in 2004. was a 27, 28 percent increase for all banks, credit unions, community banks, savings and loans in the Illinois. This reduces those fees back to the 2004 level. It provides that the fees can be increased if the Auditor General finds... that that would be necessary. But it does quarantee also, that if there's more than 25 percent of what's needed that the fees would be credited back to the financial institution. So, I... I don't... I don't see a problem with that. It's up-front. And it states exactly what it's intended to do. The additional provisions of this Bill asked for continuing education for loan originators. I asked the Department of Financial and Professional Resolution (sic-Regulation) to adopt rules requiring residential mortgage originators to attend annual continuing education classes by fiscal year '09. predatory lending part of this Bill is rather extensive. I'll go through it as quickly as I can. But basically, what this predatory lending issue tries to do is aim to reducing the predatory lending activity in Illinois by

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providing protections at the time of loan origination for consumers seeking residential mortgages. There's article in the Tribune on Saturday by chance that shows that their foreclosure rates in the State of Illinois in the year 2006 were up 55 percent. So, these would be applicable to those licensees under the Mortgage and License Act. And those would basically asking licensees under the Residential Mortgage and License Act to verify a borrower's ability to repay. Mortgages without verification ability have... have caused hundreds, if not thousands of people problems. ask the licensees to face the facts on principal and interest on the loan, taxes, assessments, insurance premiums, ultimately putting the borrower in a mortgage that they can afford over the long term. Two, there's a... prohibits any prepayment penalties with some exceptions. Illinois is only one (1) of eleven (11) states that still allows... pre... prepayment penalties. There would still be some options for that to be imposed. Another change would be the licensee must provide notice of any changes in the loan terms within three (3) days and no later than twentyfour (24) hours before the loan is closed. It requires the licensees cannot give partial quotes when comparing different loans. It requires that... the requires is limited to provider's borrow... give a copy of appraisals used to base the... on their appraisals to the borrower. Requires licensees to make disclosure if discussing future financing options. It prohibits licensee from engaging in equity stripping or in loan

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flipping. It prohibits licensees from financial... from financing certain insurance premiums that should not be allowed in it. And a more... a real consumer issue here, it creates a private right of action for a borrower injured or violated in standards or duties or prohibitations requirements under this Act. So... there's even protections here for the licensees, 'cause the licensee under the Act is not liable if the broker or lender cures that violation within thirty (30) days after who closed the loaning or sixty (60) days if it's a legitimate, unintended error. The mortgage broker has... must have an agency relationship with the borrower which just means he has to keep the best interests and good faith for the borrower at hand. permit the Attorney General to enforce any violation of the Bill as an unlawful practice under the Consumer Fraud and Deceptive Business Act. Under the Cook County provisions here, which is the 40/50 issue that was referred to, it changes the predatory lending database program to collect data regarding certain mortgage products. And it does not use the credit rating score but it depends on a list of... of requirements here that are... and for the counseling that would be based on permits the interest... if there were permits interest only, it results in negative amortization if the total points and fees payable to the borrower at the time of closing will exceed 5 percent, if the loan relies on only stated income, if the loan has a prepayment penalty and an adjustable rate closed loan and mortgage transaction allows for the interest rate to adjust during the first five (5) years of the loan. Additionally and lastly,

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that's pretty much the... the do-good part of the Bill. It does establish the phase-in for all of Cook County, for Cook County that's affected, would start in the City of Chicago, then be done to the northern townships and then the southern townships over a three-year period. Prohibits the counselors themselves from suggesting a provider. It also creates a predatory loan funding program that would make grants to HUD counseling services subject to... to appropriations. It would require the department to submit to the semiannual reports both to the Governor and to the... to the Legislature. And it would give Chicago the option of establishing a Home Equity Assurance Commission. The Commission would have to a provide low-interest home interest improvement loans in the...."

Speaker Hannig: "Representative Lyons, your 5 minutes have expired. Could you bring your introduction to a close, please?"

Lyons: "Gary, I'm just finishing. It just allows the city to propose a commission following a referendum to establish a Foreclosure Prevention Fund. So, this Bill does a lot good things, a lot of good consumer protections. It does a good thing for the... for people who need help as I think is for eight last (8) Representative the years Representative Madigan have been carrying this issue. this is a culmination of a lot of the Attorney General's work to put these protections into the Bill. So, I will be not so happy but be glad to take any questions that may be asked."

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Speaker Hannig: "Representative Durkin, you're recognized for 5 minutes."

Durkin: "Will the Sponsor yield?"

Speaker Hannig: "He indicates he'll yield."

Durkin: "Representative Lyons, could you explain to me what is the present standard of care for mortgage brokers in Illinois?"

Lyons: "There... there is not one, Representative."

Durkin: "In what... are we changing... are we creating a standard of care for a mortgage broker in this legislation?"

Lyons: "Yes, for... in the best interest of the borrower."

Durkin: "Well, there is a... are we creating a fiduciary standard of care for the broker in that relationship with the consumer?"

Lyons: "Yes, that's the agency relationship that we're... we're asking for. That's what's stated in the..."

Durkin: "Well, it's my next question is the whole... why are we...
a principal agent relationship is... is generally and is
always is... is a... continually always been refer... looked at
as an employment type of... in an employment setting. This
is strictly a transaction between a consumer and a... and a
broker. Why are we creating this principal and agency
relationship?"

Lyons: "Again, I would... I would... I think because it is in the best... of what... of what the purpose of the agency relationship is to always look after the best interests of the... of the client. And this just allows that... that language to be applied to the... to the mortgage broker... to the mortgage broker relationship."

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Durkin: "All right. There's a section in here, Section 5-6 which refers to the verification of a borrows... borrower's ability to repay. And it... specifically it says, 'No licensee may make, provide, or arrange for a residential mortgage loan without verifying the borrower's reasonable ability to pay the principal and interest on the loan, real estate taxes, home owner's insurance, assessments and mortgage insurance premiums, if applicable.' How is the mortgage broker going to verify the reasonableness of the consumer's ability to pay?"

Lyons: "Well, in the verification in the very get-go asked that... that everything be considered, not just the lendee's statement that... that'd have to be... provide verification on, you know, is there truly the ability to make the nut, the principal on the loan... interest on the loan, the taxes, the assessments, the insurance premiums, and just look after, you know, more than just a commitment on the borrower's part that... that they could handle it. They'd have to look into taxes... W-2s, assets that they may have in addition."

Durkin: "'Cause the question I have right now, it's rather vague, what you have in here, where we just state that they must make a... a determined... take a reasonable steps to establish that the consumer has the ability to pay, but we don't give them any guidelines on that. And now we've raised the standard of the broker to a very high standard, a standard that we have for lawyers and accountants, now for a mortgage broker. So he is going to be quite easily being held in default or would be in violation of this section without giving them any guidance how they're going

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- to be able to determine the ability to pay. Do you agree or disagree with that, Joe?"
- Lyons: "Most of these changes and permutations that we're trying to make here meet standards that are already at the federal guidelines for... for banks and state... for federal banks already. So, we're just applying the same rules and standards to mortgage brokers."
- Durkin: "But I'm not quite sure if this legislation says that we're... makes any reference to the federal... any type of federal regulatory scheme."
- Lyons: "I think those were the ba... those were the basis for what the Attorney General put in there and I've been told the language is just about identical."
- Durkin: "But I... I see... I have concern about we're setting higher standards now that the broker now has to play... play, they have to operate at this extremely high standard of care and that we're putting, I think, very vague types of responsibilities upon them. The Attorney General now has the ability to enforce certain violations under this legislation, is that correct?"
- Lyons: "Correct. And so does the department. The department also has authority on... on many of the same issues."
- Durkin: "And we also... is there... why do we need the department to... can't the department pursue a violation on its own? Do they need the Attorney General to pursue these... can they do it independently of the Attorney General?"
- Lyons: "I think the... the department goes after the individual licensees; the Attorney General's role in this would be if

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there is a continued pattern of abuse, that they would pursue under... under a new law."

Durkin: "I know. That's... that's another thing, I think, it's just not... it's vague. It doesn't set out the parameters of when the Attorney General would take over jurisdiction on one of these cases. And I... I'm kind of curious, is this going to be... will the Attorney General..."

Speaker Hannig: "Representative, like Representative Black, your time has expired. But we'll grant you some additional time, as well. So..."

Durkin: "I'll be brief."

Speaker Hannig: "...bring your remarks to a close."

Durkin: "Joe, I just, you know, we've... is the Attorney General going to be given criminal enforcement powers under this Amendment?"

Lyons: "No. No criminal."

Durkin: "Okay. Now, the… there's a private right of actions which is created for the consumer as well, under this legislation?"

Lyons: "That's correct and there's also, as I read in when I was doing the explanation of the Bill, Jim if there's an innocent problem they have sixty (60) days to reverse it. That's fine. If there's... there are provisions in part of the legislation that allow for corrections to be made within a thirty- or sixty-day window after a violation has been found."

Durkin: "Can't a consumer who is... feels that they've been wronged currently sue a mortgage broker? Do we need to spell it out in legislation? Don't they have the inherent

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right, if the statute's being violated, to pursue legal action against the… a broker?"

Lyons: "Only for fraud."

Durkin: "Which is generally going to be the situation in every one of the cases, so I... I'm not quite sure why we need to spell out a private right of action when I think they already have an inherent right to sue a broker under a variety of different violations under the Consumer Fraud Act and also anything under the financial institution sections. So, we're really... we're creating three (3) different venues or three (3) different ways to seek legal action against a broker. One would be through the Attorney General, one could be through the individual themselves and also from the department, correct? So, we now have three (3) different areas in which someone who is claimed that they have been... somehow a... some broker has committed... violated some action... some part of the statute, now they have three (3) different areas to proceed with legal... proceed with legal proceedings, correct?"

Lyons: "What was the end of that question, Representative?"

Durkin: "I think that we're giving and you know, we're saying there's now we're giving three (3) different avenues for

there's... now we're giving three (3) different avenues for an individual to proceed with legal action against a broker. One, through the department; two, they have their own private right of action and three, through the Attorney General, correct?"

Lyons: "Correct. Yes."

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

Speaker Hannig: "Representative Osmond."

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Osmond: "Thank you, Mr. Speaker. Will the Sponsor yield?" Speaker Hannig: "He indicates he'll yield."

Osmond: "Representative, on your Bill, on page 48, line 11... lines 11 and 12, it's... this is on the Amendment. I'm sorry. Amendment 2, page 48, lines 11 and 12. It says 'mortgage brokers shall act in the borrower's best interest and in the utmost good faith.' Could you tell me what 'utmost good faith' means in this?"

Lyons: "Representative, I would believe that would be just... you have to put the person who's coming to you for the services ahead of your... ahead of your own. You have to look out for their best interests. I don't know how much simpler you could explain... taking responsibility for the products and services that you're offering, no matter what they are, or not to take advantage of the person looking for those... for your product or your services."

Osmond: "Well, in utmost good faith, I, as a mortgage broker had you in my office for this loan and I describe everything there is to know about the application and I believe that I've done it in good faith. You take the mortgage, you go out and you default a year later. What's to say that you couldn't come back and say that I didn't... I didn't give you the best information? I mean, that would allow you to be able to sue me."

Lyons: "Representative, I think it'd just be a... if it was a conflict of concern on what... what it constituted... I mean, if it's a frivolous case, it would not be... it wouldn't have any legs on it, it wouldn't go anywhere. On the other hand, if there was... if you're going before... If you have

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counsel have a look at the... the original loan or the original package that was presented and there were reasons to believe that there was a problem, then they'd pursue with... with legal remedies for it."

Osmond: "But Representative, that would be your word against my word. I mean... I think, excuse me, this leaves it wide open for frivolous lawsuits, because now you're incapable of paying the mortgage payment and then you're going to blame me because I didn't give you enough information for you to make a better decision on taking the mortgage."

Lyons: "Representative, there's... you know, the intent of the Bill certainly is not to encourage frivolous lawsuits. The intent of the Bill... the intent of the protections that the Attorney General has worked into this is to try to protect people from serious... taking advantage of certain people under certain circumstances."

Osmond: "And I do agr..."

Lyons: "But the foreclosure rate that we've had... I mean, this legislation wasn't introduced for the purpose of being punitive to the good operators. This legislation and the language we're presenting here was brought here because there appears to be some problems with some of the lenders. This tries to put the consumer protections in there without, you know, putting the... the good people who do make a good faith estimate, good faith accounts of themselves in their business practice, this... this shouldn't... this shouldn't hurt them."

Osmond: "And Representative, I agree that there is some good in here, but that's such a broad stroke that I don't think

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we're... we're directing it to the right element here. And I feel very strongly that this... this just covers such a wide area and it's not focusing on where predatory lenders exist. This, if this is passed, this... as I told a Member just a short time ago, if this goes into effect anyone in here wants to buy a condo downtown Chicago, they would have to go and have the necessary counseling before they could buy that and I don't know that that's the intention of this Bill."

Lyons: "Was that a question, JoAnn?"

Osmond: "No, I think I was rattling on."

Lyons: "Many of the provisions in here are built off of national bank models. Much of the language here are already applicable to the banks who are not affected by this legislation. This just tries to remedy the problem at the state level for the problem that we have in the State of Illinois."

Osmond: "Thank you, Representative, and I do, again, say that there are some good parts in this Bill. But I again, say it's just too broad and I really would encourage a 'no' vote."

Speaker Hannig: "Representative Black."

Black: "Thank you very much, Mr. Speaker. Can I have 6 minutes? I think you cheated me out of a minute last time. All right. Mr. Speaker, this Bill has brought tears to my eyes and look... look what it's done to my pink tie. I am not happy about that, I can tell you. How am I going to explain this when I go home? In fact, when I go home, how

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am I going to explain that I was wearing a pink tie?
Anyway, will the Sponsor yield?"

Speaker Hannig: "He indicates he'll yield."

Black: "Now, Representative, let me make sure I understand this. All of these restrictions take place only in Cook County, correct?"

Lyons: "No, Representative Black, this would be by statute statewide. It'd apply throughout the State of Illinois."

Black: "All right."

Lyons: "The 40/50..."

Black: "So, for loans made in Cook County only, that's where the database will be, correct?"

Lyons: "Correct."

Black: "All right. It appears to me to be a program aimed primarily at Cook County, right or wrong?"

Lyons: "Primarily. Sure. Yes."

Black: "Okay. Then why... why should a mortgage broker in... in my hometown of Danville have to pay a three hundred dollar (\$300) licensure fee to help... evidently to help support a program that really only exists in a database in... in Cook County?"

Lyons: "Representative, when the language was drafted it was done at the statewide level and my understanding of the Bill, 90 percent of the loan originators for this are in the general Cook County... greater Chicago area."

Black: "Well, then if 90 percent of them are there, why don't you leave the other 10 percent out?"

Lyons: "I mean, a Bill... pardon me... a loan can be originated anywhere. Chances are it won't be, but it could be."

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Black: "Well, what if I decide to go to east Chicago to originate a loan? That mortgage broker isn't going to have to pay the fee, right?"

Lyons: "Now, he would. Yes, if it's applicable all over the State of Illinois."

Black: "So, in other words, the fee becomes a fee on me, the home buyer. The mortgage broker isn't going to swallow that three hundred dollar (\$300) fee. It's just going to be added to my mortgage costs, as an up-front cost, right?"

Lyons: "Could be."

Black: "And if the fee rollbacks for national banks is statewide, correct?"

Lyons: "Representative Black, the rollback provision on this...

We have no authority over federal banks. This is only for state banks, community banks, credit unions, savings and loans."

Black: "All right."

Lyons: "It does not apply to the federal banks."

Black: "All right. That was a test and you've passed. Very good, you're right. Now the Foreclosure Prevention Loan Fund is only applicable to Chicago."

Lyons: "Yes."

Black: "I assume that also means Cook County, doesn't it?"

Lyons: "Correct."

Black: "All right. How... where does the fund that loans out money to troubled borrowers a fund not to be greater than three million dollars (\$3,000,000), where does that fund come from?"

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- Lyons: "Representative, could you repeat that part of the question?"
- Black: "Yes. It says, 'the Foreclosure Prevention Loan Fund, that takes place in Chicago only, community organizations that operate under the Home Equity Assurance Act in any municipality with a population of greater than one million (1,000,000)', doggone it, my hometown just misses that by seven hundred and eighty thousand (780,000). So, you're going to set up a new Foreclosure Prevention Loan Fund to counter alleged blockbusting by predatory lenders. These... the loan funds will loan out money from a fund of not greater than three million dollars (\$3,000,000) to try and save troubled borrowers. Where does the three million dollars (\$3,000,000) come from?"
- Lyons: "Representative, I am not familiar with that three million dollar (\$3,000,000) fund. I mean... where does that dollar amount come from?"
- Black: "Well, I mean it's got to come from somewhere. What...

  Does it come from the mortgage broker's licensure fee? I

  mean, it's got to come from somewhere? I'm just trying to

  figure out the income stream to create this three million

  dollar (\$3,000,000) fund."
- Lyons: "The fund is subject to appropriation."
- Black: "Oh. All right. Just... in the final 20 seconds. Thank you very much, Mr. Speaker. I just..."
- Speaker Hannig: "Mr. Black, your time has expired, but we'll grant you some additional time."
- Black: "Mr. Speaker, one of these days I'm going to expire and you're going to be sorry. I've instructed my wife to sue

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for wrongful death, workers' comp and anything else she can Ladies and Gentlemen of the House, to the figure out. I think you can see how complicated this is. think you begin to see how quickly it's been put together. I think... Representative Lyons, who I have great respect for, is doing yeoman work. Our staff is literally working themselves constantly trying to figure out what this Bill I guess, in closing, I just don't understand why this Bill seems to be so punitive on mortgage brokers when nobody invited them to the table. I think they should have at least had the opportunity to defend their industry and be at the table to refute some of the charges or to make language... make suggestions for language that could've been perhaps compromised language in the Bill. I... I don't know why we... why we do this, but I've learned one thing, Mr. Speaker, and you taught me very well. You have the rule of 60 and with that I appreciate the additional 30 seconds and I'll try not to bother you again for a little while."

Speaker Hannig: "So, we're going to put this on Extended Debate which require... which allows for 5 speakers on each side. We've already had 3 now, in response and 1 in support. And Representative Burke, you're recognized for 5 minutes."

Burke: "Thank you, Mr. Speaker and Ladies and Gentlemen of the House. What is offered to you in the form of 1764 is a... might I suggest, comprehensive approach to our state dealing with the ever growing and devastating societal dilemma of predatory lending. This Bill is the culmination of the many years experience on the part of attorneys and the Attorney General's Office, who are attempting to find a

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means of relief for those citizens who have fallen prey to unscrupulous home loan lenders. I, too, am no stranger to the subject having previously represented the community of Englewood on the southside of Chicago where, in one year's time back eight (8) years ago, there were over eight (800) foreclosures. Can you imagine devastation that had caused that entire community? shocking revelation not only to what we in the government have not done to protect our citizens, but certainly a very sad commentary on how unsophisticated and how lacking our society is regarding matters of credit and basic lending principles. Ladies and Gentlemen, I am not suggesting or insisting through this legislation that we eliminate or diminish one's opportunity to acquire a loan in Illinois, but the intent of this Bill is to insure that our constituents can access credit with fair and reasonable terms and that those who are offering credit do it with fiduciary responsibility. Ladies and Gentlemen, American dream to is own your own home. But lately, the American nightmare is to get that home under false pretenses only to lose it to foreclosure in a matter of months. Ladies and Gentlemen, I might direct your attention to the front page of the Wall Street Journal, today, and the headline is Subprime Aftermath; Losing the Ladies and Gentlemen, this unfortunate Family Home. activity that has gone on far too long is not only in the City of Chicago, it's not only in minority districts, it has reached far and wide. It is across the country and it's been quite evident in our state. We have a

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responsibility to individuals in our constituency to protect their interests. We are not affecting decent, good mortgage brokers and there are plenty of them, and I'd be the last person to ever suggest that we could do without that industry. Subprime lending is needed and necessary. But those who have taken advantage of the unsophisticated market that's out there need to be controlled. They need to be punished for what they have done. And I believe that the language of this Bill is sufficient and comprehensive to do that. And I can only strongly recommend to you that you vote in favor of Senate Bill 1674. Thank you."

Speaker Hannig: "Representative Kosel."

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

Speaker Hannig: "He indicates he'll yield."

Kosel: "You talked a little bit about stated income. Can you tell me is stated income based loans outlawed by this legislation?"

Lyons: "No, Representative."

Kosel: "What impact does it have on stated income loans?"

Lyons: "You can... you can still have them if they're verified through another message through... through other assets."

Kosel: "And if they aren't?"

Lyons: "And if they aren't..."

Kosel: "They're not verifiable."

Lyons: "...then they wouldn't be. The underlying question here, you need to know the person can afford the loan."

Kosel: "But a person can have income that wouldn't be verifiable in an acceptable way, according to the way I'm

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reading the loan. So, under those circumstances those people would have to go to credit counseling?"

Lyons: "Representative, I'm sorry, can you repeat the ...?"

Kosel: "I'm sorry, I can't hear you? What?"

Lyons: "I couldn't hear your last question. So..."

Kosel: "Okay. If they have... if they have stated income that is
 not in a form that can be adequately verified, would they
 then have to go to credit counseling?"

Lyons: "What... the question of what kind of income? Any income?"

Kosel: "Interest income, from a lawyer... future settlements from
 a lawsuit..."

Lyons: "Those should all be available."

Kosel: "...rental... rental from rental units. I mean, that isn't... you don't have a W-2 to verify any of that income, but it's very real income. So, what would be the implication for a person who bases their income on those type of things?"

Lyons: "Wouldn't there be documentation that would verify income from other sources or from interest incomes as on tax returns? Would be verifiable."

Kosel: "But that's past history, that's not future."

Lyons: "It'd be verifiable for them in the last year."

Kosel: "What about someone who inherits some money and invests
 it and can't verify it from last year? I can think of a
 lot of..."

Lyons: "That should be ver... wouldn't that be verifiable? I mean, if they have it in some type of financial institution, a copy of a will, a copy of the check?"

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Kosel: "What hap... Do they have to go to credit counseling, is what I'm asking? So, if you have an income, the way it states, the way I'm reading the Bill, is that a lot of these people would have to go to credit counseling. I think it was the point that Representative Osmond was trying to make."

Lyons: "Representative, I don't know if I follow your line of questioning here. It's..."

Kosel: "Well, my line of questioning is that there's times when... when stated income is difficult to verify but definitely there. What about the... the physician that just gets into a practice and he's now going to go out and wants to buy a house but he doesn't have last year's income yet. He has a group that he's going into; he's in a lucrative field but wants a mortgage. There's a lot of people out there, especially professionals that don't have easily verified... verified income, that I believe would have to seek credit counseling. Also, got a call today from someone who said that they believe that this provision of stated income applies to the whole state. Is that your intent?"

Lyons: "Under predatory lending provisions, yes."

Kosel: "Yes. Okay. So, it does apply to the whole state, not
just Cook County?"

Lyons: "Representative, you may be mixing the apples and the oranges. The counseling would only be done within Cook County.

Kosel: "But..."

Lyons: "The 40/50 provisions."

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- Kosel: "...if it's only done in Cook County, but the stated income provisions of this apply to the whole state, does that mean somebody from Carbondale now has to go to Cook County for counseling?"
- Lyons: "Yes. It's a three hundred dollar (\$300) a year requirement on all agencies that are in the business. One time, three hundred (300) a year of which a vast majority of these, again, are in the Cook County area."
- Kosel: "But yet the stated income applies to the whole state.

  So, you now have somebody who's applying for a mortgage that has to have counseling in Carbondale because they are..."
- Speaker Hannig: "Representative, your time has expired. Could you bring your remarks to a close, please?"
- Kosel: "I will try and finish up here. What is the effective date of this Bill?"

Lyons: "Upon the signature by the Governor."

Kosel: "On the signature by the Governor."

Lyons: "Correct."

Kosel: "So, how many votes does that require to pass?"

Lyons: "Sixty (60)."

- Kosel: "I... to the Bill. Should this Bill be... should we get enough votes to pass this Bill, I would ask that it be verified."
- Speaker Hannig: "The Lady's requested a verification and will be granted one at the appropriate time. Representative Biggins, you're recognized for 5 minutes."
- Biggins: "Thank you, Mr. Speaker. Will the Sponsor yield to a question?"

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Speaker Hannig: "He indicates he'll yield."

Biggins: "Representative Lyons, would... would you explain what the... I didn't get the answer when the three hundred dollar (\$300) fee is paid, what it goes for?"

Lyons: "The money would be deposited into the database... the fund that would be held for the training... for the counseling."

Biggins: "And then, is this paid by the one mortgage broker or is it done by an office or is it per individual?"

Lyons: "It would be a once a year annual fee when an individual or a company renews their license."

Biggins: "So, the three hundred dollars (\$300) is paid and it's paid by everybody in the state that's a mortgage broker, right?"

Lyons: "Yes."

Biggins: "And it goes toward a fund that'll be mostly utilized in Cook County."

Lyons: "Correct."

Biggins: "Well, aren't we going back to a days... I thought we were beyond days when Cook County gets paid for by the rest of the state and I represent part of Cook County. Isn't this selective taxation that just hurts everybody else for the benefit of Cook County?"

Lyons: "No, I respectfully disagree. I don't think so. I think it's trying to help the issue where it's needed most in the State of Illinois."

Biggins: "Well, if all of the fees are collected, statewide, but the moneys are going to go back into Cook County, it sounds like it is very regionally biased. So, why would

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the mortgage brokers in my district… well, the… any part where they're not doing work in Cook County, anybody in the state, be forced to contribute to a fund to be spent solely in Cook County?"

Lyons: "Again, I think that's to where the primary need for this is to be used at least from the get-go. If this had to be done at a statewide level, at some point in time it could probably be a... additional language or the Bill could be presented to make it statewide."

"Well, to the Bill, Mr. Speaker. And thank you for Biggins: your answers, but I know that there's a problem here. there are innocent people are being... are losing their most prized possession, it's their home. Well, this way to rectify that situation is very harmful to a group of people that have absolutely nothing to do with it. They're called mortgage brokers. And they should not be assigned to pay this onerous charge. It's regionalism at its worst. It's making everybody else pay for Cook County and I thought this state had grown beyond that. And I represent part of Cook County, but the people that I know in that district they won't like this charge being charged to everybody else in the state to cover something that goes on in this one So, I would urge everybody to vote 'no' particularly I'm disappointed in the Illinois Bankers Association for taking this Bill up as a cause of theirs when they don't have... they aren't required to do the same things as the mortgage brokers are. They get by with a free pass on this. And I think this is very wrong. It's

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wrong to an industry. And... the way they worked this Bill was very unprofessional."

Speaker Hannig: "Representative Lang."

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

Speaker Hannig: "He indicates he'll yield."

Lang: "Thank you. So, Representative, do I understand that the following groups support this: the credit unions, the community bankers, the Illinois bankers, the Attorney General, and other consumer groups. They all support this Bill?"

Lyons: "Definitely, Representative. Yes, they do."

Lang: "So, what's going on with the people that tend to want to not be for this Bill? Don't they have this list in front of them? What do you think?"

Lyons: "I can't answer that, Representative. I don't know. I would imagine that was given out to almost every Member that could be reached with a piece of paper, 'cause that was all over our side of aisle. I..."

Lang: "Well, thank you. Mr. Speaker, Ladies and Gentlemen, first, let me commend Representative Lyons for his hard work. And Representative Burke for his work over a number of years on this important issue. This is not an easy issue, it's a complicated issue. But I think we all have to recognize that there are many victims in our communities of predatory lending. There are many victims, people who are losing their homes, people who are victimized by a system they don't understand. It's too complex for them to do anything about and they're just losing their homes, left and right. It would be wrong to vote against a Bill that

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was worked on so hard that all of these different groups have checked out pretty well. These are groups that we know and trust and support. The way this Bill is written it will help keep banks and credit unions operating in our state. So, not only is this good for consumers, people who take these loans out, not only will it protect them but it's projobs in our state. It's proconsumer services in our state. In short, we've got a Bill that deserves to be passed. Is it perfect? I don't know. I suppose no Bill we ever pass in this chamber is perfect. This is a complicated area. I suppose even those who are for it might have a change... a page or two (2), a paragraph or two (2), they'd like to change. But Ladies and Gentlemen, a Bill this complex, a Bill this important, a Bill this significant requires compromise. It requires people coming the table. Ιt requires the long hours Representative Lyons, Representative Burke, and others have put in to try to put before us a Bill that has some teeth, has some protections, but nevertheless, are supported by many of the people in and around the industry. So, I think that some of the opposition I've heard is a stretch. I think much of the opposition I've heard comes from folks that want to nitpick the Bill. This is an important consumer piece of legislation. People in communities in every one of our districts are being affected by predators, who would just as soon take their house as take their money. And so, this is legislation we must and should pass. And I strongly recommend an 'aye' vote."

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Speaker Hannig: "Any further discussion? Representative Lyons to close."

Lyons: "Thank you, Mr. Speaker. Thank you, Ladies and Gentlemen of the House. And yes, Senate Bill 1674 is a very involved piece of legislation. The original part, House Bill 1576, was a rollback for fees that I think everybody in this chamber is certainly for and certainly strongly supported by every financial entity within the State of Illinois and that there is no question about how important this is for that group. But the predatory lending issue, folks, has been around here for eight (8) years. I think most of you know that this has been a true epidemic on the southwest side of Chicago. Representative Burke, Speaker Madigan and many people have worked for years on this issue. To reiterate, Representative Burke said they did eight hundred (800) foreclosures in his district alone in one year. So, we have been working on this or more directly the Attorney General's been working on this since the beginning of the year. Everybody had a seat at the table. There have been negotiations back and forth for many, many months. We've taken this Senate Bill, decided to let's put these ... both these issues together. They both deserve merit. There's hundreds and hundreds of people in the State of Illinois that have become victim to predatory lending for all the wrong reasons that we all know. We're trying to protect people who need help, who need protection and by no means try to do anything to hurt the good operators who are playing by the rules and who will play by the rules. If there's any follow-up

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legislation that has to be done on things, we do this all the time, a Bill of this magnitude often has to be... have a trailer to go along. If we do some ... some ... something that isn't in the best interest over the long-term and we can do that. But this Bill has been worked for many, many months by a lot of people. Everybody concerned with this has been at the table. The Attorney General took the lead on the consumer protection issues. And so I would ask... I would ask for your favorable consideration and I'd ask on behalf of the people who'll benefit the most by this, people who have been victims and people who can be victims. Give them your support and vote 'yes' on this Bill. Thank you, Ladies and Gentlemen, for all of your great questions. wish I could have answered them a little bit more in more detail to you, but I appreciate your ... your good intentions and my ability to ask (sic-answer) as best I could. you, Mr. Speaker."

Speaker Hannig: "The question is, 'Shall this Bill pass?' All in favor vote 'aye'; opposed 'nay'. The voting is open. Have all voted who wish? Representative Mendoza, Hernandez, Dunkin, do you wish to be recorded? Mr. Clerk, take the record. And there's been a request for a verification by Representative Kosel. So, I'd ask for our staff to retire to the rear of Members, please be in your seats. chambers. And Mr. Clerk, read the names of those voting in the affirmative."

Clerk Mahoney: "Voting in the affirmative are Representatives:

Acevedo, Arroyo, Beiser, Berrios, Boland, John Bradley,

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Rich Bradley, Brady, Brauer, Brosnahan, Burke, Chapa LaVia, Collins, Colvin, Crespo, Currie, D'Amico, Monique Davis, Will Davis, Dugan, Feigenholtz, Flider, Flowers, Golar, Gordon, Granberg, Hamos, Hannig, Harris, Hernandez, Hoffman, Holbrook, Howard, Jakobsson, Jefferies, Jefferson, Lang, Joe Lyons, Mautino, McCarthy, McGuire, Miller, Bill Mitchell, Jerry Mitchell, Molaro, Osterman, Phelps, Reitz, Riley, Rita, Scully, Smith, Soto, Tracy, Turner, Verschoore, Wait, Yarbrough, Younge and Mr. Speaker."

Speaker Hannig: "Representative Kosel."

Kosel: "Thank you. Collins, Representative Collins."

Speaker Hannig: "Representative Collins is in her seat."

Kosel: "Representative Bill Mitchell."

Speaker Hannig: "Representative Bill Mitchell."

Kosel: "Representative Granberg."

Speaker Hannig: "Hang on. Is Representative Bill Mitchell in his seat? Is he in the chamber? Okay. So, Mr. Clerk, how is Representative Bill Mitchell recorded?"

Clerk Mahoney: "Representative Mitchell voted in the affirmative."

Speaker Hannig: "Remove him. And Representative Granberg is in the rear of the chamber."

Kosel: "Thank you."

Speaker Hannig: "Representative Lyons."

Lyons: "Let's put this bad boy on Postponed Consideration, Mr. Speaker."

Speaker Hannig: "Postponed Consideration. On page 13 of the Calendar, under the Order of Senate Bills-Third Reading, is Senate Bill 1544. Mr. Clerk, read the Bill."

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Clerk Mahoney: "Senate Bill 1544, a Bill an Act for concerning revenue. Third Reading of this Senate Bill."

Speaker Hannig: "Representative Currie."

"Thank you, Speaker and Members of the House. This is an effort to close some corporate loopholes in the Illinois Corporate Income Tax Law. I think these are reasonable propositions and I think many of them have either outlived their usefulness or in fact, were never really intended to be opportunities to create jobs and economic development. First, we would provide for a corporate franchise tax amnesty program with beefed up enforcement from Department of Revenue so that people would be less likely to be deadbeats in the future. Second, we would require withholding for nonresidents who are shareholders subchapter S corporations... or partners. Third, we would change the way you get an exemption on federal bonds so it would match the way corporations take exemptions for state and municipal bonds. Fourth, we would end the double deduction for discharged debt. When a debt is discharged in bankruptcy, the person who had the debt discharged should not be able to deduct it from his or her income tax, only the person who's owed the money that is not ever going to arrive, that's the one who should be able to... to reduce the tax liability by that amount. Sometimes companies create sham affiliates and then they use those affiliates to reduce their state tax liability. We would end that practice. Fourth (sic-Fifth), there are ways in which figuring out what amount of income comes from activities in the State of Illinois for various service industries is a

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very difficult proposition. We are choosing in this it that, for example, if measure to see to telecommunication service, it's the place where the call is If it's an energy purchase, it'll be in the place where the meter is read. There are no... I would say to the Members of the chamber that this change in the allocation will have different impacts on different... of our industries and we have agreed with those industries to work over the summer months to see if we should tweak some of these provisions with respect to how, for example, the airline industry operates. This measure will go into effect January 1, and we have time to make some of those They're not easy changes to make, they're not easy changes to conceive, but we are willing to talk to industries that might be affected differentially by these changes. We will end the sales tax exemption for rental car companies on the purchase of new vehicles. And finally, we will end the tax deduction for real estate investment trusts. This is the so-called Wal-Mart tax loophole in which Wal-Mart ends up creating these REITs, real estate investment trusts, and then they use that trust in order to be able to avoid paying taxes in Illinois. They act as if the... the rent they pay to the REIT is actually tax deductible here. I'd appreciate your support for this Amendment... for this Bill. All told, we think that this measure will bring in, perhaps, three hundred million dollars (\$300,000,000), three hundred million (\$300,000,000) that represents tax equity, tax fairness among corporations and individual taxpayers in Illinois and

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an opportunity to meet more of our responsibilities to the citizens in respect to health care, education, and other important human services. I'll be happy to answer your questions and I'd appreciate your support for this important measure."

Speaker Turner: "The Gentleman... Representative Turner in the Chair. The Gentleman from Jasper, Representative Reis, for what reason do you rise?"

Reis: "Will the Sponsor yield?"

Speaker Turner: "She indicates she will."

Reis: "Thank you, Mr. Speaker. Madam... Madam... Majority Leader Currie, there's going to be several questions come from our side. But you mentioned that this is going to generate about three hundred million dollars (\$300,000,000)..."

Currie: "We believe that's right."

Reis: "...but it goes into effect January 1?"

Currie: "So, in the first year it will bring in somewhat less than three hundred million (300,000,000)."

Reis: "So, about half that for fiscal year 08."

Currie: "Yeah. Yeah. That is right. The amnesty figure that I gave you, twenty five million (25,000,000), that actually we believe could bring in a good deal more. That's a onetime only..."

Reis: "Right."

Currie: "...and would happen in this coming fiscal year. And if indeed it is worth a good deal more, then the total for the coming fiscal year will be well more than half of the three hundred million (300,000,000) total."

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Reis: "Okay. Most of my... my questions are mainly centered around the Illinois Income Tax proposed on national sales. And I just need you to help me out with that. And I'm going to give you several examples of whether or not a situation like this would be included in that. Say, a gas line originates in Oklahoma, goes through Illinois, goes to Indiana. Would the Illinois portion of that gas line be taxed under this proposal?"

Currie: "Not if the end user, I believe, is not in Illinois. What we have... let me give you a counter example. A telephone company, call originates, say, in Illinois, but then it's circuited around through Indiana and ends up hitting a customer... the recipient of the phone call actually lives in Danville. So, you've got an Illinois maker of the call, an Illinois receiver of the call, but because the circuit may take it outside the state under the service rule, apportionment rule today, the company could say, yeah, but the value of the circuitry outside Illinois is more than 50 percent, so we don't owe anything in Illinois on that call. So what we're trying to do is to set market factors and using this where is the destination in figuring out the allocation."

Reis: "Okay. What about the example... I got a call from FedEx that's thinking about a distribution center in my district, where part of their stuff coming out of that distribution center, because we live next to Indiana would... would go to Indiana or other states..."

Currie: "Right."

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- Reis: "...but a lot of it would stay in Illinois. So, would they..."
- Currie: "And... and Representative, that's one of the industries that we intend to do some work over the summer, clarifying exactly how the change in allocation will affect them because it does vary by industry and it is not our intention to hurt any industry with this measure, but we do think it's a good idea in terms of state pol... tax policy to work toward a market approach to allocating income and we recognize that different industries operate differently. So, we have committed to continue to work with them."
- Reis: "Okay. Along with that you might include in your work this summer, I guess, we're working on a Bill after we passed it. But Wal-Mart distribution centers, our locks and dams, transporting grain on our rivers that technically could be in Illinois, our railroads, our trucking firms and something that came up on commercials even, that a certain portion of Illinois might get a... a portion of a commercial. Would that be taxed under this? And if so, how would you go about collecting that tax?"
- Currie: "Well, that, as I say, we're going to work on tweaking that language, but the idea here, we know that, for example, goods that are sold in Illinois. So, you've a multi-national corporation and the way it works under the single sales factor is that if you sell 10 percent of your goods in Illinois then the Illinois tax is 10 percent of your earnings. It's straightforward. What's happened in the service arena with the 50-50 rule is that we think that there are ways that tax lawyers and accountants are doing

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their internal allocations in a way that means that we're not getting our fair share. And that's the reason for the change in the… in the distribution and destination language, but again, we do want to be responsive to market forces. That's what a tax system ought to be based upon, what's actually happening in the marketplace. So, we're willing to work with these individual industries further to make sure that we are allocating the fair share for each of those."

- Reis: "Okay. And my last question is, how is this going to affect the airlines with O'Hare and Midway being a major hub?"
- Currie: "And that's another of the destination issues in terms of allocations. Services are each different, but the point is that under current tax laws in the State of Illinois we believe many services are not paying there fair share. And that..."
- Speaker Turner: "Turn Representative Currie on. Representative Reis."
- Currie: "And that's what this measure is intended to do."
- Reis: "So you're saying that the airlines probably would be taxed, then? All the miles..."
- Currie: "Well, too... I'm sure that they are taxed. And the question really is how you allocate the tax that comes to Illinois as against the share they pay to Texas or the share they pay to North Carolina. And as I say, our effort here is to see to it that by virtue of... of the... of the routing that we are not getting shortchanged. That's all this is about."

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Reis: "Okay. To the Bill, real quick. I think that, you know, either we're going to have an awful lot of exemptions here, because I have named off a lot of things that have touched so many peoples' districts. Either we're going to have a lot of exemptions or this is going to be much, much broader than what we had anticipated. I don't know what the airlines are going to decide every time they fly over Illinois that they are going to be paying a tax. So, thank you very much for answering my questions."

Speaker Turner: "The Gentleman from Lake, Representative Beaubien."

Beaubien: "Yeah."

Speaker Turner: For what reason do you rise?"

Beaubien: "Yes, Mr. Speaker..."

Speaker Turner: "Indicates she will"

Beaubien: "I'd like to ask the Sponsor to yield, please. Just, first of all, before I get started, I'd like to have this placed on unlimited Debate. It's a very important Bill for the State of Illinois."

Speaker Turner: "The Gentleman asks leave to move the Bill from Short Debate to unlimited Debate. And leave is granted."

Beaubien: "Thank you. And also I would like to ask for a verification. I have the greatest respect for the Sponsor of this Bill. We've worked together for many years and I'd just kind of like to make an opening statement that some peoples' loopholes are other peoples' incentives, job creators and development creators. But that... having said that and the prior speaker having spent most of his time dealing with issue #7, I'd like to go to issue #3, the

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double deduction on federal debt. The banking community, who did not get a copy of this 'til late last night, both at the large bank level and the small bank levels, say that this will be very detrimental to them. It's going to have a serious impact on their bottom line and I just want everybody to be aware of that 'cause I'm not sure that was brought out in your caucus. Secondly, it will have a devastating effect on their ability to deal with REITs. That's just a statement. The other issue I'd like to discuss is the real estate investment trust loopholes. You know, again, we're a financial center in the State of Illinois, that's where I think our future is, financial center to a large extent. To the extent that you have eliminated the ability to work with REIT's we have a large business community in this state that deals and creates and sells REIT's. They're going to leave. Do you have any comment on that?"

Currie: "Well, first of all, let me just say that the only reason we have an exemption for REIT's is because the feds have one. We never made a policy decision in this state that it was important to create an incentive corporations to participate in real estate investment If we want to have that debate, let's have it. The only reason that we have that deduction for them today is because the Federal Government made that determination the much larger share of taxes that the Government collects. So, we accidentally began offering this thirty-six million dollar (\$36,000,000) freebie to corporations invested in real estate investment trusts

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without any showing that it would create one job, that it would help the economy in one tiny way. We do know that there are corporations who use REITs in order to avoid ordinary taxes. Wal-Mart is a great example. They create a REIT, they pay the rent to the REIT, and then the REIT gets to take a big deduction from our tax base. Now, I don't think our Tax Code ought to be about making life easier for Wal-Mart. I don't think our Tax Code ought to be crafted so that clever lawyers and accountants at Wal-Mart can rob us blind. And that, Representative is what's happening."

Beaubien: "Well, I don't think you answered my question, which was other businesses create and sell REITs. They probably won't be doing that in Illinois anymore."

Currie: "I should imagine that they would. They did before the federal tax deduction came through."

Beaubien: "Well, that's a very serious concern of mine and again, going back to item #3..."

Currie: "Yeah. And on the discharge of bankrupt... of debt in bankruptcy..."

Beaubien: "I wasn't addressing that, but..."

Currie: "Oh, I thought you started out with that."

Beaubien: "No."

Currie: "Oh."

Beaubien: "I started out with the double taxation and then I went to the real estate investment trust loophole. Those are the only two (2) items I want to talk about. I just want to make sure the other side of the aisle is aware that, particularly in the double deduction for federal

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debt, that will have a devastating effect on your banks. You have not had a chance to hear about it yet because they didn't know about it, but you will be hearing that your local bank does not like this provision. No further questions. Thank you."

Speaker Turner: "The Lady from Brown, Representative Tracy, for what reason do you rise?"

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

Speaker Turner: "She indicates she will."

Tracy: "Leader Currie, in the terminology under #6 of our analysis, it refers to income derived from Illinois business. Would this be income from export sales in country or out of the United States?"

Currie: "Are you... I'm sorry. I'm not sure which item you're..."

Tracy: "Number 6."

Currie: "I don't know if your #6 is the same as mine, Representative."

Tracy: "It refers to the income derived from Illinois business, which is the export sales for resale as part of the definition of 'sale for income tax purposes'."

Currie: "Well, my..."

Tracy: "It's the term 'export'."

Currie: "Well, our effort here is to say that if it's a company that does business in many other states, today, under the single sales factor approach, they pay taxes in Illinois based on their sales in Illinois."

Tracy: "Yes."

Currie: "So, if they... 10 percent of the sales are in Illinois, they pay taxes on 10 percent of their income."

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- Tracy: "Okay. So, it will not tax items that are sold in different states."
- Currie: "That's right. There's no change in that taxation approach."
- Tracy: "All right. And then, going down to the income tax imposed on national sales. In the item that says it includes business income derived from sales of transportation services through Illinois..."

Currie: "Yes."

- Tracy: "...when you refer to the word 'income', I'm not sure if that refers to revenue, in the terms of 'gross revenue or net income'."
- Currie: "It... under the Illinois Corporate Income Tax it would be net income. So, they can deduct their business expenses. The problem with some of these destination issues is that when... whether it's a telephone call, electricity coming into the home, those kinds of items, it's difficult to figure out what portion of the creation of that phone call can be attributed to Illinois. So, with the effort here..."

Tracy: "Okay."

- Currie: "...is to try to find an easier, more straightforward way of making sure that a fair share of those revenues are allocable to Illinois as they are if you're talking about sale of a product, a physical product."
- Tracy: "Okay. In my example, I'm trying to think if a truck loaded with goods originates in Indiana, passes through the State of Illinois to the State of Missouri, what... what would be taxed?"

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Currie: "I don't think anything because I think the point is that you... that we're trying here to tax the... the destination."

Tracy: "Well, what I'm con..."

Currie: "As an easier way of figuring out how you allocate what went into the company's costs for providing that service. And again, as I said in my opening remarks, we do intend to work over the summer with the trucking industry and the airline industry and other... other distributors of services that do cross state lines to make sure that we have been fair to each of them as we change our approach to a more market-based approach in figuring out where the costs really are."

Tracy: "Okay. 'Cause it... it's on page 134 where it refers to trucking and transportation."

Currie: "Right."

Tracy: "And... and the word is used 'passing through'..."

Currie: "Okay."

Tracy: "...rather than... than delivery or sale in Illinois."

Speaker Turner: "The Gentleman from Peoria, Representative Leitch... Oh, I'm sorry."

Currie: "Wait... she's... well, she's not finished. We're just looking something up. I... I think all that means is to the extent that that... not that individual truck has... is passing through the state, but to the extent that that company is delivering goods, delivering its services in Illinois, we would take into account a... a numerical factor that would represent the totality of the miles driven and the... the resulting in services that were offered in Illinois."

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Tracy: "Okay. So, in effect that they're act..."

Currie: "And... and some... some industries we may want to change the actual... how... how you do the equation, depending on what kind of services they are providing."

Tracy: "Going back to the export sales that we previously discussed. I... I wanted to clarify again because I'm still concerned when it says it sweeps export sales for resale into the definition of sale. So, I'm still confused as to the terminology of... I mean, since what you're referring to, first of all, my question was is it in state or out of country? And in fact, we're talking between states, from Illinois to its adjoining states or wherever. So, I... I'm..."

Speaker Turner: "Bring your remarks to a close."

Tracy: "I'm still unsure as to if... if the way I'm looking at it, it would indeed preclude any export sales. Because then I have a real concern that maybe this type of... of language would violate the Interstate Commerce Act of the Federal Constitution."

Currie: "Representative, all I can say is that it's my understanding that for a company that produces items for sale they are liable for taxes in Illinois based only on the proportion of sales that they make in Illinois."

Tracy: "In Illinois?"

Currie: "Yes."

Tracy: "Okay. Thank you very much."

Speaker Turner: "The Gentleman from Peoria, Representative Leitch, for what reason do you rise?"

Leitch: "Thank you, Mr. Speaker. Will the Lady yield?"

Speaker Turner: "Indicates she will."

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Leitch: "It's my understanding that this measure would repeal the so-called lock box incentives..."

Currie: "No."

Leitch: "...to financial institutions?"

Currie: "I... would... I don't think that's right. What we are doing when we talk about unitary business groups is to say that if you've got a sham affiliate you can't... you can't avoid your tax responsibility in Illinois. But we're not repealing the lock box."

Leitch: "So, the lock box provision is not being repealed?"

Currie: "I believe that's right."

Leitch: "All right. That... if that is by some accident in the Bill would you amend this Bill in the Senate to..."

Currie: "We'll have a second..."

Leitch: "...repeal it?"

Currie: "...we'll certainly have a second look, Representative.

We are concerned about affiliate relationships if they are organized solely for purposes of avoiding a fair share of Illinois taxes."

Leitch: "It's my memory that that provision was enacted as an incentive to restrengthen Illinois' financial status in the country some years ago. And were that to be in the Bill it's my understanding that that provision would have the effect of doubling and tripling and even quadrupling the taxes on some of those major institutions. So..."

Currie: "Well, Representative, all I can say is..."

Leitch: "...I appreciate..."

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- Currie: "...if that were true, I think this Bill would be worth a whole lot more than three hundred million dollars (\$300,000,000)."
- Leitch: "I'm sorry, I couldn't hear you."
- Currie: "I said, if that were true I think this Bill would be worth a lot more than three hundred million dollars (\$300,000,000)."
- Leitch: "Well, I'm advised that that would be an extremely onerous provision were it changed. So, thank you for your commitment to not... not address that in this measure."
- Speaker Turner: "The Gentleman from Vermilion, Representative Black, for what reason do you rise?"
- Black: "Thank you very much, Mr. Speaker. Will the Sponsor yield?"
- Speaker Turner: "Indicates she will."
- Black: "Yes, Majority Leader Currie, one question on the real estate investment trust. Having been a subscriber to the Chicago newspapers for many years and following new developments in the business section of both Chicago papers, my perception is that there are literally millions, if not hundreds of millions of dollars of investment in Chicago, Michigan Avenue comes to mind, but there are so many things going on in Chicago. I get the impression that many of those are financed through REITs, would that be a fair assumption?"
- Currie: "I don't know what the actual number or percentage is..."
  Black: "All right."
- Currie: "...but I know REITs are an popular form of real estate investment."

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Black: "Yeah. I... I would think that was a... as a fair statement. Now, if I understand this, even though you may have arranged financing, and I don't know how the Trump Tower was financed, I don't know how the new Chicago's Spire will be financed or if that ever becomes a reality, but if you are in fact building or have just recently completed a building and your financing was based on a REIT, you're not grandfathered, right? I mean that... whatever..."

Currie: "No. But it... it isn't how the financing is organized, it's the question what kind of... how... how a corporation tax... is taxed..."

Black: "Well, I... I under..."

Currie: "...on its REIT income, its REIT dividend. So, it doesn't make any difference the financing is in place. The question is, how does the corporation...?"

Black: "Well, it... I think it..."

Currie: "...pay taxes?"

Black: "...I think it strikes to the ability of the... of the ability to pay back and the ability to be profitable. But it's my understanding that there... there is no grandfather. I mean, clause. It's... it's subject to tax, when the Bill becomes effective?"

Currie: "Yes. It... there is... I don't know what you mean when you say, no grandfather. This is all going forward. So, when the REIT, the corporate REIT gets its dividend, gets its money..."

Black: "Okay."

Currie: "...gets its whatever, it just will not have a loophole..."

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Black: "Okay."

Currie: "...in the Illinois Income Tax, it'll pay its fair share."

Black: "Even though I may have invested in a REIT ten (10) years ago, I will... my... my income from that REIT next year will be treated differently?"

Currie: "No, actually yours will not. This is not about..."

Black: "Okay. So..."

Currie: "...individual investment in REITs, we're talking about the Corporate Income Tax."

Black: "All right. But even if it's the Corporate Income Tax,

I assume at a date certain all of that income distribution
will then be treated differently, it didn't make any
difference when you created the REIT?"

Currie: "That's right."

Black: "Okay. Thank you."

Currie: "And of course it..."

Black: "Thank you very much. Mr. Speaker, to the Bill. If you'll look at this very, very carefully and... and I think the Majority Leader's been very honest. But I'm right on the Indiana border and I can tell you on Interstate 74 it's not unusual to see a number of tractor trailers coming from a... an import... a point of import like Long Beach, California or Seattle, traveling east, certainly going through Illinois. And in one of those trucks may be a million dollars (\$1,000,000) worth of flat screen televisions, and we import all of those. But they... all they do in Illinois is stop, get a sandwich, fill up with gas, if they choose to do so and they pay an apportionment tax. It's obvious

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that how we... how we tax the value of that transit shipment is going to be extremely complicated. And I'm sure will be extremely litigated. And there... there are other factors. United Airlines could have... this could have an adverse impact on United Airlines. And to the Majority Leader's credit, she said these things are going to be looked at. And... and... and some of these things will no doubt have to be My concern, very quickly and very briefly, massaged. you're asking me to vote on a three hundred million dollar (\$300,000,000) tax increase and a good number of these taxes are levied on things that the Bill is not certain how this is going to be done. So, if you're spending... later on if you're spending is predicated on these tax increases, those tax increases may never come to pass. This is an extremely complicated Bill. And I don't know if anybody should be comfortable in voting 'yes' when we don't really know how some of these things will, in fact, be treated."

Speaker Turner: "The Gentleman from Williamson, Representative Bradley, for what reason do you rise?"

Bradley, J.: "To the Bill. The Taxpayers Federation of Illinois, this morning, indicated that they had no position on the merits. And I've been handed a note from them which indicates that they are supporting the Bill in a qualified manner. They have some concerns regarding the sourcing rules, but believe that the Bill is justified on a policy basis. And so, with these limited reservations appropriately support the… Senate Bill 1544. And I thought people would want to know that."

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- Speaker Turner: "And the Gentleman from Winnebago, Representative Winters, for what reason do you rise?"
- Winters: "Just a second. Thank you, Mr. Speaker. Will the Lady yield? Representative, is there a severability clause in this if there are constitutional problems down the road, would the rest of the Bill stand?"
- Currie: "No, there is not."
- Winters: "So, as I understand it from your statements earlier, we're talking at around three hundred million dollars (\$300,000,000) in revenue enhancements?"
- Currie: "That's what we believe. That's what we believe."
- Winters: "If any one of these happens to fall to a constitutional challenge, all of them then would fall?"
- Currie: "Representative, I don't think there's much likelihood that any of them would."
- Winters: "Well, I'm not a constitutional lawyer. I'm sure that there are... there are people that will challenge it anyway. Has... have you given any kind of an impact of the... we have seven (7) points, I don't know if those are the major changes. Do you have a list of how much revenue you're expecting from each one of those and has that been entered on the record?"
- Currie: "We have an approximate notion based on earlier versions of some of these same concepts. The difficulty is that we're not mirroring language from earlier Sessions of the General Assembly, so that it's possible with that the old numbers will not accurately reflect the specifics of the new."

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Winters: "But they... they would give us an indication, however. You know, whether one has tem million (10,000,000), five million (5,000,000) or fifty million (50,000,000); it would give us some kind of an indication. Our under... the only number that we were given was that the franchise tax and the amnesty, which I think everybody can agree is probably a reasonable provision, one that we can agree on was worth sometime around twenty five million (25,000,000) and that is one-time."

Currie: "Yeah, although, we now think that they probably will brim that will probably bring in a lot more."

Winters: "I'm sorry?"

Currie: "There is a suggestion that that twenty-five (25,000,000) is in fact way too low an estimate."

Winters: "But that would be one-time revenue?"

Currie: "That would be one-time..."

Winters: "We can't repeat that?"

Currie: "...revenue, but we would hope that that redoubled efforts of enforcement on the part of the State Department of Revenue would discourage people from being tax deadbeats."

Winters: "How about the offshore tax havens? Any idea on that?"

Currie: "That... that's not included."

Winters: "That's... that's no longer included?"

Currie: "We did not... did not redefine U.S. businesses to..."

Winters: "Okay."

Currie "...to include the... the shelf and the..."

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Winters: "Okay. How about the derive... the double deduction for the derivative federal debt? Is that..."

Currie: "For federal bonds? That is in the Bill. We... we think that it's fair to say that when you get a deduction when you invest in a state or a municipal bond, that deduction should be the same if you're investing in the federal bond. Why should we..."

Winters: "Well, the question was about..."

Currie: "...in the State of Illinois..."

Winters: "...about how much money would that bring in?"

Currie: "...encourage people to... to invest in federal bonds rather than those of our own state or of our own local governments?"

Winters: "The question I'm asking is do you have a fiscal idea on that?"

Currie: "Yeah, I do."

Winters: "And when you're looking, possibly on the REITs?"

Currie: "The REITs is about thirty-five (35,000,000) or thirty-six million (36,000,000)."

Winters: "Thirty-five million (35,000,000) on the REITs.
Okay."

Currie: "Yeah."

Winters: "Well, rather... rather than use the rest of my time..."

Currie: "Twenty... twenty million (20,000,000) on the..."

Winters: "Twenty million (20,000,000) on the..."

Currie: "...other."

Winters: "...the derivatives? Okay. To the Bill, Mr. Speaker.

We have to realize that the previous record tax increase in

Illinois was less than a billion dollars (1,000,000,000).

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We're talking about three hundred million (300,000,000), which seems like a relatively modest tax increase. It's about the third the size of the record for Illinois. We also realize that when we compare it to the other options that we've seen before us, the Governor's introduced plan at seven and a half billion dollars (\$7,500,000,000) for the Gross Receipts Tax. Seven and a half billion (7,500,000,000); three hundred million (300,000,000). Three hundred million (300,000,000), that's nothing. Holy Toldeo. This is like a freebie. Let's all vote for this thing because, gosh, it's only three hundred million (300,000,000). People, this is a major tax increase. This is a major tax increase and every time we do that we make..."

Speaker Turner: "Turn him on. Let him finish."

Winters: "...every time we raise taxes on Illinois individuals and Illinois business we create another incentive to leave the state, to retire early, to not make that effort to make income, because the state's going to penalize you versus other states. All I'm saying is, this is a tax increase; people need to be aware of it. It's not a minor tax increase. It's a little bits and pieces, but when you add them all together it's another signal to the rest of the economy, Illinois is not looking for your business, go someplace else. Thank you."

Speaker Turner: "Representative Currie to close."

Currie: "Thank you, Speaker and Members of the House. This is a modest effort to make sure that corporations operating in the State of Illinois pay their fair share of Illinois taxes. It is indeed, as the prior speaker said, not a

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massive tax increase, but it is a way of making sure that Wal-Mart pays its fair share, that other corporations don't use outdated tax laws to avoid a fair response to their responsibilities here. We did... as mentioned earlier in committee today, there was not one single statewide organization, in fact not one organization, that signed in in opposition to the proposals This will not hurt the Illinois for Senate Bill 1544. economy, but it will help us meet our responsibilities to our school children, to our elderly, to our citizens who need help with their mental health care or the care of their developmentally disabled children. Three hundred million dollars (\$300,000,000) is not a massive increase, but it's a fair increase. And I would certainly encourage... encourage you to join me in closing these tax loopholes are not about bringing jobs and businesses to Illinois, but are about avoiding a fair share of business responsibility to tax fairness in this state. Please vote 'yes'."

Speaker Turner: "I would like to remind the Members that there has been a request for a verification. So, each Member should vote his own button. The question is, 'Shall the House pass Senate Bill 1544?' All those in favor vote 'aye'; all those opposed vote 'no'. The voting is now open. Have all voted who wish? The Clerk shall take the record. On this question, there are 63 voting 'aye', 53 voting 'no'. There's been a request for a verification. All Members and staff should retire to the immed... rear to

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the back of the chamber. And Mr. Clerk, will you read those voting in the affirmative."

Clerk Mahoney: "The following Representatives voting in the affirmative: Acevedo; Arroyo; Beiser; Berrios; Boland; Bradley, J.; Bradley, R.; Brosnahan; Burke; Chapa LaVia; Collins; Colvin; Crespo; Currie; D'Amico; Davis, M.; Davis, W.; Dugan; Dunkin; Feigenholtz; Flider; Flowers; Ford; Fritchey; Golar; Gordon; Hamos; Hannig; Harris; Hernandez; Hoffman; Holbrook; Howard; Jakobsson; Jefferies; Jefferson; Joyce; Lang; Joe Lyons; Mautino; May; McCarthy; McGuire; Mendoza; Miller; Molaro; Nekritz; Osterman; Phelps; Reitz; Riley; Rita; Ryg; Scully; Smith; Soto; Turner; Verschoore; Washington; Yarbrough; Younge, and Mr. Speaker."

Speaker Turner: "The Gentleman from Lake, Representative Beaubien."

Beaubien: "Yes. Representative Hamos."

Speaker Turner: "Representative Hamos. The Lady is in her chair. She's down front."

Beaubien: "Okay. Representative Feigenholtz. Representative Howard."

Speaker Turner: "Here."

Beaubien: "Oh, there she he. Hi, hi, Connie. Okay. I withdraw the verification. Thank you."

Speaker Turner: "So, on this question, there are 63 voting 'aye', 53 voting 'nay', 0 'presents'. And this Bill, having received the Constitutional Majority, is hereby declared passed. On the Order of Postponed Consideration, we have Senate Bill 1674. Read the Bill, Mr. Clerk. No. It's on Postponed. Representative Monique Davis."

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- Davis, M.: "I think we've… we've heard this Bill about an hour ago and I think all the questions have been answered. I would just ask for a favorable vote."
- Speaker Turner: "The Lady... you've heard the Lady's Motion. The question is, 'Shall the House pass Senate Bill 1674?' All those in favor should vote 'aye'; all those opposed vote 'no'. The... the Gentleman from Kendall, Representative Cross, for what reason do you rise?"
- Cross: "Are you... I take it we're not going to have any debate on this, Mr. Speaker? Is that off?"
- Speaker Turner: "Thought there was ample debate before I went into the Chair."
- Cross: "Are we just going to go right to it?"
- Speaker Turner: "It's the same Bill."
- Cross: "All right. I just... I don't know if anybody on our side wishes to speak. All right. Thank you."
- Speaker Turner: "The Gentleman from Vermilion, Representative Black, for what reason do you rise?"
- Black: "Mr... An inquiry of the Chair, Mr. Speaker."
- Speaker Turner: "State your inquiry."
- Black: "Yeah. I... I can't keep up with this Bill.

  Representative Davis is now the Sponsor; I thought it was

  Representative Lyons?"
- Speaker Turner: "Representative, I believe Representative Davis has always been the Sponsor of this Bill."
- Black: "Oh, okay. I'm sorry."
- Speaker Turner: "Right. Representative Lyons was the Sponsor of the Amendment."
- Black: "So, Representative Lyons was on the Amendment?"

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Speaker Turner: "He was the Sponsor of the Amendment."

Black: "Okay. I... I had forgotten, I apologize. So, basically, this is the predatory lending Bill that we heard a little while ago, correct?"

Speaker Turner: "This is the Bill that we heard a little while ago, you're correct."

Black: "No changes, no additions?"

Speaker Turner: "No changes, no additions."

Black: "Would... would the Sponsor yield?"

Speaker Turner: "She indicates she will."

Black: "Representative, I still have some concerns about this Bill and I hope you do as well. And I know some things have gone on in areas of the state that... that none of us really want to see. But I... what... what I find confusing is the section on verifiable income. And if I... if I don't have W-2 forms or documents that I make in fact what I say I make, then I may have to go to credit counseling. I mean, that... that just seems to me to be an impediment to my borrowing money to buy a house. I mean, they it... they surely do due diligence and know what I make. Wouldn't you agree?"

Davis, M.: "Yes, I certainly do. I think... are you asking why we have stated income in the Bill?"

Black: "Well..."

Davis, M.: "I mean..."

Black: "...it says if... if there isn't verifiable income. In other words, I take verifiable income as either a W-2 or your income tax statement, then I may have to go to credit

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- counseling before I can qualify for a loan. I... and I don't understand that."
- Davis, M.: "Representative, what kind of income would you state was unverifiable?"
- Black: "Well, as... as a Member on our side of the aisle said, not long ago, your spouse passes away, you have an insurance settlement and you sell your house. You invest most of the money, you leave a little bit in your checking account. And then you decide, well, I better invest some of that money in another house or a condo. So, you go in to get a loan and you have no W-2s, you have no proof of your income. I suppose you could take your IRA or your bank book in, but the Bill is silent on that."
- Davis, M.: "But it says verifiable. I think you could take in your bank account, you could take your statement from your credit union. I think you could take... wherever you receive those funds from, you could take that in as documented income."
- Black: "Depending on how you invested your money, historically a savings account is not regarded as income. I mean, it's... it's cash, but historically, it's not counted."
- Davis, M.: "I think when you fill out your application and you show that you have a certain amount of money saved in the bank and then you want to use that, I'm certain that that's okay."
- Black: "Well, I would hope that you're right. I'm not totally convinced that you are and I think you're a woman of... of goodwill and I... I think we both probably want the same thing. My fear is that if you have to jump through these

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hoops and go through credit counseling, you just might give up and go away. And I'm not sure, forgive me for saying this, I'm not sure that that's not one of the side effects of this Bill. That unless you have a huge income and that you're trying to get the American dream, but you've got a modest income and you've got some savings bonds and maybe you have a modest inheritance from somebody, that... that's not what I consider to be verifiable income. And I'm just afraid that a side effect is going to be, unless you are a wealthy individual with proof of six figure income, you go to credit counseling. And you just kind of get pushed off to the side."

- Davis, M.: "Representative, we're merely asking that the person show their ability to pay the mortgage. Federal and state banks already have that requirement. When I bought my house, I had to show that I could afford to pay that mortgage. And I think that's what this Bill is all about. So that people are not put into mortgages where they don't really have the income to sustain it. I believe when this happens, the person loses that down payment. They lose the payments they've made on this property and some of..."
- Speaker Turner: "Representative Davis to conclude...

  Representative Black, bring your remarks to a close."
- Black: "I... Oh, okay. I... I appreciate the gentle Lady's response. I... Mr. Speaker, just to summarize as quickly as I can. I hope I'm wrong. I just have a very queasy feeling knowing some of the difficulties the pilot program had. And some of the restrictions being put on and I don't mean to hurt anybody... I don't mean to make anybody mad. I

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don't want to upset anybody. But I'm going to say what I thought when I first heard this and if I'm wrong, I will apologize. And I hope I'm wrong. But the more I look at this, the more I get the impression that this is legal redlining. And I'm opposed to illegal redlining or legal redlining or any other kind of redlining. But something in the back of my mind tells me that the person of modest means is going to be steered away from the housing market. I thought we'd... I thought we'd solved that problem years ago. Obviously, we haven't. But I... I... can't help but think in the back of my mind that that's where we're headed with this kind of program. And I think it deserves... until we know and we haven't had time to look at it and analyze it and talk to people in the industry, I intend to vote 'no'."

Speaker Turner: "There being no further questions, the question is, 'Shall the House pass Senate Bill 1674?' All those in favor should vote 'aye'; all those opposed vote 'no'. The voting is now open. Have all voted who wish? Have all voted who wish? Representative Wait. Representative Dunkin. The Clerk shall take the record. On this question, there are 62 voting 'aye', 52 voting 'no', 2 voting 'present'. And this Bill, having received the Constitutional Majority, is hereby declared passed. Mr. Clerk, read the Rules Report."

Clerk Mahoney: "Representative Barbara Flynn Currie, Chairperson from the Committee on Rules, to which the following legislative measures and/or Joint Action Motion were referred, action taken on May 30, 2007, reported the

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same back with the following recommendation/s: 'approved for floor consideration' is Amendment #2 to Senate Bill 1132."

Speaker Turner: "On page 18 of the Calendar, we have Senate Bill 1132. Read the Bill, Mr. Clerk."

Clerk Mahoney: "Senate Bill 1132 has been read a second time, previously. No Committee Amendments. Floor Amendment #1 and 2, offered by Representative Hannig, have both been approved for consideration."

Speaker Turner: "The Gentleman from McLean, Representative Brady, for what reason do you rise?"

Brady: "Thank you, Mr. Speaker. The Republicans will caucus immediately in Room 118. A Republican Caucus in Room 118."

Speaker Turner: "Representative Brady, how much time do you think you'll need for your caucus?"

Brady: "At least an hour to two."

Speaker Turner: "An hour to two?"

Brady: "An hour or two."

Speaker Turner: "An hour or two."

Brady: "Correct."

Speaker Turner: "Representative Brady, the House will stand..."

Brady: "Yes."

Speaker Turner: "...in recess 'til 9:30. We'll give you an hour and a half."

Brady: "Thank you."

Speaker Turner: "We will stand in recess 'til 9:30. Democrats can go and eat, have dinner. No, wait a minute. Representative Berrios, the Lady from Cook, for what reason do you rise?"

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Berrios: "Purpose of an announcement."

Speaker Turner: "State your announcement."

Berrios: "It's actually a reminder for the Democrats, sorry Republicans, but we are still having the kickoff to the Puerto Rican festivities at the Inn. So, there is Puerto Rican food from Chicago, a live salsa band over there and we can go enjoy it for a little bit. Republicans, if you get out of caucus a little early, come join us over there. The food is great. I've been getting phone calls. Thanks."

Speaker Turner: "Just be back by 9:30. ...is in recess. The House will come to order. On page 18 of the Calendar, we have Senate Bill 1132. Read the Bill, Mr. Clerk."

Clerk Mahoney: "Senate Bill 1132 has been read a second time, previously. Floor Amendments 1 and 2, offered by Representative Hannig, have both been approved for consideration."

Speaker Turner: "Representative Hannig on Amendment #1."

Hannig: "Yes. Thank you, Mr. Speaker. I'd ask that we just adopt this Amendment and then debate the Bill on Third Reading. So, I'd move for the adoption of Floor Amendment #1."

Speaker Turner: "The Gentleman moves... Representative Black."

Black: "I'd request a verification of the 'aye' votes."

Speaker Turner: "Of the 'aye' votes? Okay."

Black: "I... I... you know ..."

Speaker Turner: "The Gentleman..."

Black: "...I... I mean, I'm not going to be ridiculous."

Speaker Turner: "You'll be all right."

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Black: "You don't have enough votes over there..."

Speaker Turner: "To adopt..."

Black: "...to pass the plate. Well, I... All right. I... Gary and I, you know, Gary and I go way back."

Speaker Turner: "Yeah."

Black: "Put the Amendments on and then by that time maybe you'll have enough people here to at least discuss the Bill."

Speaker Turner: "They're all waiting on the elevator right now."

Black: "Yeah. Okay."

- Speaker Turner: "I just saw six (6) of them downstairs.

  They're on their way up. The Gentleman asks leave for the adoption of Senate Amendment #1. All those in favor say 'aye'; all those opposed say 'no'. In the opinion of the Chair, the 'ayes' have it. And the Amendment's adopted.

  Further Amendments?"
- Clerk Mahoney: "Floor Amendment #3, offered by Floor Amendment #2, offered by Representative Hannig, has been approved for consideration."
- Speaker Turner: "Representative Hannig moves for the adoption of Floor Amendment #2. All those in favor should say 'aye'; all those opposed say 'no'. In the opinion of the Chair, the 'ayes' have it. And Amendment #2 is adopted. Further Amendments? The Gentleman from Montgomery, Representative Hannig, for what reason do you rise?"
- Hannig: "Yes. Thank you, Mr. Speaker and Members of the House.

  It's my understanding that a note has been filed. Is that correct, on this Bill?"

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Speaker Turner: "Clerk." Mr. Clerk."

Clerk Mahoney: "Balanced budget notes have been requested and the House... as amended by House Amendments 1 and 2, by Representative Black."

Hannig: "Yes. Thank you, Mr. Speaker. I would move that that note is inapplicable."

Speaker Turner: "The Gentleman from Vermilion, Representative Black, for what reason do you rise?"

Black: "Mr. Speaker, in all due respect, this strains even my in... I mean, this is... my incredulity is at an all-time high. You... you just passed a tax Bill that doesn't even take effect until January, three hundred million dollars (\$300,000,000) in taxes. So, you're not going to have that money and some of those taxes... you know, I'm still trying to figure out how you're going to tax a truck full of plasma TVs that drives through Illinois. You know, it won't take the trucker long to figure out he isn't going to stop. But some of your revenue is based on... where are we going to I get a piece of the action? A plane that flies over Illinois, a train that goes through Illinois. I mean, you even admit it; it's going to take you all summer to figure that out and it probably isn't going to work 'cause it's interstate commerce. But please, don't... don't insult anyone's intelligence by saying that you're... you're pass ... you're trying to pass a budget Bill where the key component of your revenue doesn't even take effect until January. You know, I know, everybody knows… well, scratch that… most people know that this budget isn't balanced. Now, you're in the Majority Party, take a few minutes, have somebody in

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the Department of Revenue, I'm sure there's somebody over there that's worked there longer than two weeks, can figure out how to get an answer over here to you in the next half hour or so that shows, oh, of course, it's a balanced budget. This is not a balanced budget. We should not go forward until you at least give some credence to a reasonable request. I didn't file... I didn't circle everything on there. I'm not trying to be dilatory. didn't... I didn't file a pension impact, I didn't ask for a judicial impact, housing affordability. I asked for what we all should be about, regardless of whether you sit on that side or this side, regardless of how late it is, the budget being presented is not balanced. Now, our staff knows that much; your staff knows that much, and most of us that's been here longer than two (2) weeks know that the budget you're going to propose tonight is not balanced. So, just take a few minutes, have somebody from the Department of Revenue, you know, who... I mean, you know, these are people that have probably already figured out the rules on how to make cigarettes free to a rat that smokes in a lab, so they can get back to this. I mean, in all seriousness, and this is not a laughing matter to me, it's not a laughing matter to any Member of my caucus and I would hope it's not a laughing matter to many Members on the Democrat side of the aisle, as well. This is what I have said for twenty (20) years. This is where I stand up and say, the process is more important than individuals; it's more important than trying to meet an artificial deadline and send it to the Senate. This is integral to

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the process. You wouldn't pass any of our sunshine Bills. We're still trying to wade through this 940 page Bill. the press has done so, maybe they could fill us in. this is key, an integral part of the process. This budget is not balanced. Now, if you want to find somebody that says it is, do so and we will go along. But if you ignore this request, you have simply told us the process doesn't matter, we don't care about the process, we're going to do whatever we want to do and the Minority Party can sit down and shut up and go along for the ride. Well, you've already told us that. You won't even invite our Leader to any budget meetings. You have disenfranchised all of the people that elected us to represent them. You don't even invite us to those meetings. That's not right; that's not Now, I'm in a Minority Caucus; I'm a downstater. And I resent the fact that my Leader and the Senate Leader is not even allowed to participate in a budget discussion and how dare the Governor of this state say, and he's been quoted if accurately and I assume it is, that he wants this budget done with absolutely no Republican input. That is an outrage. He's elected by the people of Illinois. did we become disenfranchised? This isn't right, don't do Don't sully your reputation, Mr. Speaker. balanced budget note is a legitimate request and furthermore, the fact that we haven't been invited and specifically disinvited and not allowed to participate in the budget process makes this whole thing a sham. make it worse than it already is. Get your balanced budget note filed and then we'll go on with the business."

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Speaker Turner: "Representative Hannig."

Hannig: "To close, Mr. Speaker?"

Speaker Turner: "Yes."

Hannig: "Yes. But thank you, Mr. Speaker. If you'd look at the language of the Balanced Budget Act, it's... it's set up to deal with supplemental appropriations and the concept is that when you have a budget in place and then you pass a supplemental at sometime during the year, that it gives you an opportunity to see how those two (2) documents work together and if the new spending unbalances your original plan. But this is an original plan for fiscal year '08 and so, it really doesn't apply to the Bill that we have before us. And so, I would move that the balanced budget note is inapplicable."

Speaker Turner: "The Gentleman from Morgan, Representative Watson, for what reason do you rise?"

Watson: "Thank you, Mr. Speaker. Inquiry of the Chair."

Speaker Turner: "...your inquiry."

Watson: "Is it... it's within the rules that we can determine this by a vote without going to any type of budgetary experts to say this is applicable or not?"

Speaker Turner: "The rules state that we can go to the vote and rely on the experts who punch their buttons."

Watson: "And those experts are?"

Speaker Turner: "Members of this chamber."

Watson: "And then we can tell by the... how balanced the budget has been the last few years. Is that correct?"

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- Speaker Turner: "Well, we de... they're going to make the decision... you are going to make the decision whether this is inapplicable."
- Watson: "But isn't it more of a... basically, isn't it going to be more of just simply a partisan vote. It really isn't going to be one if this is... this is truly balanced or not. This is basically going to be do you sit on this side or that side. And my question is, do you think for the process this is a... this is a fair and equitable way to determine this?"
- Speaker Turner: "This is what the rules state. The rules were adopted by the Body and so we're abiding by the rules. So, the question is, 'Shall this budget note... is this budget note inapplicable?'"

Watson: "Thank you."

- Speaker Turner: "The Gentleman from Peoria, Representative Leitch, for what reason do you rise?"
- Leitch: "Thank you, Mr. Speaker. I was just wondering when the appropriation committee… committees are going to meet tonight?"
- Speaker Turner: "We'll get back to you on that later."
- Leitch: "We ought to adjourn... do it when we're fresh in the morning."

Speaker Turner: "...eyes look pretty bright to me."

Leitch: "Okay. I'll offer a Motion to adjourn."

- Speaker Turner: "Representative, we'd like to take care of this order of business first, then we'll go to your Motion."
- Leitch: "Thank you for your courtesy, Mr. Speaker. I'll withdraw my Motion."

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Speaker Turner: "Thank you. The Lady from Cook, Representative Mulligan, for what reason do you rise?"

Mulligan: "I... I just want to get one thing straight on the record. When you vote that this is a balanced budget and it's not, it's very clear that we take responsibility for it not being balanced. Just... just so we get that straight on the record. I mean, I've worked budget here for fifteen (15) years. This... this is really interesting. We haven't had this Bill for half a day even; it didn't go through a committee and now you're telling us that it's a balanced budget. Who would know and how will you have an honest debate on something when you don't even have time to go 900... through 900 and some pages and the information that's put out is skewered so badly that you can't tell from one minute to the next. I think this is really an interesting way to run the state. You can't get together, you can't talk to your Governor, you can't negotiate, you can't present an honest Bill and then you do this to us at the last minute. This is really sad."

Speaker Turner: "So, the question is, 'Shall the balanced budget note be declared inapplicable?' All those in favor should vote 'aye'; all those opposed vote 'no'. The voting is now open. The Clerk shall take the record. On this question, there are 64 voting 'aye', 52 voting 'no', 0 voting 'present'. And the note is declared inapplicable. Representative Hannig on Senate Bill 1132. Mr. Clerk, read the Bill. Move to Third. Representative Black, the Gentleman from Vermilion."

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Black: "Thank you very much, Mr. Speaker. I rise to a point of procedure under House Rules. Pursuant to House Rule 22 and I quote from House Rule 22, 'No Bill that provides for an appropriation of money from the State Treasury may be considered for passage by the House unless it has first been favorably reported by an Appropriations Committee.' This Bill has not. 'Or the Bill was discharged from the appropriations committee under Rule 58.' This Bill was 'Or the Bill was exempted from this requirement by a majority of those appointed to the Rules Committee.' would have to be a specific request, it was not. Rule was suspended under Rule 67.' It has not been. cetera, et cetera, et cetera. You are asking me to vote on a Bill to appropriate money from the State Treasury. has not gone through an Appropriation Committee. the waivers were issued. This is a violation of House You're asking me to vote on a Bill that is not Rules. before the House legally or in accordance with the rules. I would ask the Chair to so rule. And you can send it to the Appropriations Committee and we can come back in a half an hour or 45 minutes or next month... at this point I don't care... but I do care about this process and I care about the rules. And you haven't followed them; this Bill is not before this Body in any legal sense whatsoever. And it's in violation of Rule 22 and I ask the Chair to so rule and just once, just once, let us as a Body say, we're going to do business but we're going to do it in accordance with the rule and the law that we are governed by. And if we aren't going to be ourselves governed by rule or rule of law, then

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how in the heck can we expect the people to be governed by the same thing and how can we expect to have the respect of our constituents, our colleagues, our families? This isn't right, Ladies and Gentlemen. You know it isn't right; I know it isn't right. Let's not compound the error time and time and time again. Expediency, I will not sit down quietly as people did years ago in the '30s and not raise a voice of concern, because pretty soon if I do not raise a voice of concern I'm going to look around someday and there won't be anybody left to raise any note of concern because the laws will be meaningless. Please follow the rules of the House. Please do what's right. Please do what's fair."

Speaker Turner: "Representative Black, the parliamentarian will respond to your inquiry."

Parliamentarian Ellis: "Representative Black, in... on behalf of the Speaker in response to your inquiry, House Rule 22(b)2 permits the Rules Committee to assign an appropriations Bill to any committee, even a nonappropriations committee. Therefore, Senate Bill 1132 is properly before the Body for consideration."

Black: "Mr..."

Speaker Turner: "Turn on Representative Black. What did you say, Representative?"

Black: "At my age, I wish you'd turn me on. But anyway, pursuant to House Rule 22, what was your response, Mr. Ellis? I mean, I didn't get your cite."

Parliamentarian Ellis: "Representative Black, on behalf of the Speaker in response again to your inquiry, House Rule

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22(b)2 permits the Rules Committee, a majority of those appointed, to assign an appropriations Bill to any committee, even a nonappropriations committee. And therefore..."

Black: "That's not what the rule says..."

Parliamentarian Ellis: "...there..."

Black: "...in all due respect to you, Mr. Parliamentarian, that's not what the rule says at all. It says the Bill was exempted from this requirement by a majority of those appointed to the Rules Committee. We didn't exempt anything... That would have had to have been a specific Motion."

Parliamentarian Ellis: "Representative, the Rules Committee has the authority under this rule to assign Senate Bill 1132 or any appropriations Bill to any committee."

Black: "But that's not what it says here, Mr. Ellis. It says specifically. I mean, you... you... I defer to your legal judgment. I didn't go to law school. I filled out a thing on the back of a matchbook cover and got a diploma, but... and I sat for the bar, but I got sick and didn't pass the test. But I mean, in all seriousness, it doesn't say that. You're... you're interpreting the rule too, me too. You're not even reading into the rule the way it's written. It would have to be a specific act or action by the Rules Committee. It doesn't say anything about it can go to any committee. Where does it say that?"

Speaker Turner: "The parliamentarian's reviewing. Let me recognize Representative Stephens, the Gentleman from Bond, for what reason do you rise?"

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Stephens: "Well, I don't want to be redundant, but (b)2 says... Speaker, all you're saying... is Well, I... Mr. parliamentarian saying and will the record of the Rules Committee reflect that there was a Motion to exempt this Bill from this requirement? It says clearly in (b)2, the Bill was exempted... was exempted from this requirement by a majority of those appointed to the Rules Committee. doesn't say that the Rules Committee sent the Bill to another committee and that that's okay because they can do that. Representative Black is clearly, clearly in the would ask that this Bill be sent to Appropriations-Public Safety, where I sit, I'd like a chance to debate this Bill. I'd also like... in committee ... and I'd also like to bring up the... point out a fact the fact that, you know what, you can't handle a budget, you can't handle Ameren, you can't handle gas prices. people in our districts are devastated with lack of money in their pocket, are going to see a budget that's going to take some more money from somewhere and you can't even procedurally handle it correctly. The faith of the people in the system is long gone. And this puts a nail in that coffin, because you're just clearly violating the rule. It's right there in black and white. Your parliamentarian can read it. You don't have the right to interpret it to the Speaker's pleasure. You have the right and the responsibility to interpret it correctly for what it actually says."

Speaker Turner: "We will let the parliamentarian, one more time, give you his ruling on this particular issue."

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- Parliamentarian Ellis: "Representative Stephens, in response to your inquiry on behalf of the Speaker, Rule 22(b) states that no Bill that provides for an appropriation of money may be considered for passage by the House unless it's been reported out by an Appropriations Committee or the Bill is exempted from this requirement by a majority of those appointed to the Rules Committee. The assignment of... the assignment of Senate Bill 1132... the assignment of Senate Bill 1132 to the Executive Committee was the exemption."
- Speaker Turner: "The Gentleman from McHenry... the Gentleman from McHenry, Representative Franks, for what reason do you rise?"
- Franks: "Thank you. I'm looking at these rules, as well. And I agree with the parliamentarian, I think it's very clear. You're not married to me, Ron, you can't say that. But though reading this is very clear. I'm not... Listen, I'm not a great lawyer, but I do understand this, because of the 'or' and when you look at it, and look at 22 (b) subsection 2, as long as the Rules Committee exempt it, that's what happens and that's what they did. You might not like it. They can determine where it goes. My understanding, by exempting it, they can exempt what's before that. And I... I understand your argument, I understand your frustration. Believe it. But it's legal."
- Speaker Turner: "The Gentleman from Cook, Representative Lang for what reason do you rise?"
- Lang: "Thank you, Mr. Speaker, to bring some order to this place. We have a debate going on and no Motion on the table, there's nothing going on here. We have Members

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screaming without a microphone. If someone has a Motion to overrule the Chair let them make the Motion and let's move forward with some order. It's late at night and let's move forward, please."

Speaker Turner: "Your point is well-taken."

Lang: "Really. Good."

Speaker Turner: "The Gentleman from Vermilion, Representative Black, for what reason do you rise?"

Black: "Mr. Speaker, I would've passed the bar if Lou Lang hadn't knocked me off the stool."

Speaker Turner: "And the Gentleman..."

Black: "Mr. Speaker, in all due respect, I absolutely, fundamentally and without question, think your parliamentarian is wrong, but he has made his ruling. I would move that the ruling of the Chair be overturned."

Speaker Turner: "The question is, 'Shall the ruling of the Chair be sustained?' All those in favor should vote 'aye'; all those opposed vote 'no'. The voting is now open. Have all voted who wish? The Clerk shall take the record. There are 64 voting 'aye', 52 voting 'no', 0 'presents'. And the Chair is sustained. Mr. Clerk, move Senate Bill 1132 to Third Reading and then read the Bill."

Clerk Mahoney: "Senate Bill 1132, a Bill for an Act concerning appropriations. Third Reading of this Senate Bill."

Speaker Turner: "The Gentleman from Montgomery, Representative Hannig on Senate Bill 1132."

Hannig: "Yes. Thank you, Mr. Speaker. Thank you, Mr. Speaker and Members of the House."

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- Speaker Turner: "The Gentleman from Vermilion, Representative Black."
- Black: "Speaker, inquiry of the Chair. If I have your permission to go back in the washroom and brush my teeth in the ten thousand dollar (\$10,000) urinal to get the bad taste out of my mouth?"
- Speaker Turner: "You weren't recognized for that purpose.

  Representative... Representative Hannig. The Lady from Cook,

  Representative Mulligan, for what reason do you rise?"
- Mulligan: "I just must comment, at least he can get into the men's bathroom. Besides not being able to eat on the House Floor, you just remove doorknob for one whole day from the women's bathroom. So I mean, that's really an interesting thing to have happen here. I think we're kind of in the real minority here."
- Speaker Turner: "You have been recognized for that purpose and the doorknob is working. Representative Hannig on Senate Bill 1132."
- Hannig: "Yes. Thank you, Mr. Speaker and Members of the House. Most years when we come to this point in the Session it takes a long period of time to explain the differences that we have between last year's budget and this year's budget. But with this proposal the number of changes is relatively small. In fact, most of what we're voting on today is the FY07 budget. But we do have some important changes that I would like to note that I think most of you, I hope most of you, will agree with. This budget proposes to increase the general state aid that is the foundation level by three hundred and eighty-seven dollars (\$387). That's an 8

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percent increase. If you look at the budgets over the last two (2) years the increases have been in the range of two hundred dollars (\$200) or a hundred and seventy dollars (\$170). So considering the difficulty that we face today, I would say that the increase that we're proposing with this budget while it may not be as much as some had hoped for it's certainly a healthy increase and it's certainly something that will allow our K-12 institutions to move forward. We'11 maintain the mandated categorical prorations exactly as they are this year. We'll have thirty-million dollars (\$30,000,000) for early childhood development and 5.3 million dollars (\$5,300,000) in the transitional assistance so that every school district in the State of Illinois will receive at least as much as they did in FY07. There's a 2 percent increase to our state universities. We have money for our community colleges to offset the Ill... the cost associated with the Illinois Veterans' Grants. We have money for the MAP. The MAP money for our students that wish to go to higher education institutions throughout the State of Illinois, both public and private. We have some Human Services increases for placement in community facilities. This is an increase of thirty-seven million dollars (\$37,000,000) net... 37.5 million dollars (\$37,500,000) net and we have additional money for our nursing homes in the State of Illinois, as a hundred and ten million well. We have dollars (\$110,000,000) that will hold DCFS harmless to their FY07 level. I think when we consider all that we've faced so far this year and is the distance that we've come I think

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that we would... I would hope that we could say that this is a budget that makes sense with the revenues that we have at hand. It puts the priorities in the right place by giving the lion's share of this money to our schools while still addressing health care. And I would suggest that while I know everyone in this chamber would say that they'd like to spend more money on any number of proposals, we've seen the difficulty we've had this year in trying to find additional revenues and so I would argue that this is the best that we can do at this revenue level. And Ladies and Gentlemen of the House, I believe that this is a good budget. It's a solid, modest budget that will allow us to move forward. I'd ask for your 'yes' vote and I'd be happy to answer any questions."

- Speaker Turner: "The Lady from Cook, Representative Mulligan, for what reason do you rise?"
- Mulligan: "Thank you, Mr. Speaker. First, I'd like to ask for unlimited debate. Secondly, I'd like to ask if this Bill passes that we do a verification."
- Speaker Turner: "The Lady asks leave to have the Bill taken off of Short Debate and now it will be on unlimited debate. Your request has been honored."
- Mulligan: "Thank you. It's one of the few so far yet. Representative Hannig, I find myself in the position once again at this time of year asking you questions on a budget which is always very interesting. And this is one of the more interesting budget years; I'm not quite sure where you're going with this. First of all, I just want to point

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- out some obvious things that are missing in your budget. There's no pension payment in here."
- Hannig: "Representative, the continuing appropriation language that exists in statute is not modified by this Bill or any Bill that we're proposing and so those moneys would be paid automatically."
- Mulligan: "So, do you think the Governor's going to have to figure out where he's going to get that money from or where's the... and how much do you think that pension payment will be now?"
- Hannig: "I believe that the GRF component increase is about five hundred and fifty million dollars (\$550,000,000) and the language that exists in the statute authorizes the systems to certify and simply go to the Comptroller and collect the money and that's... we've accounted for the money in our budget, but we haven't increased the line."
- Mulligan: "There's no money for the employee health care system, so what happens with that now?"
- Hannig: "Representative, there would be a payment cycle situation issue that would occur."
- Mulligan: "So, if I go to the doctor July 2 or 3 when will my doctor be paid, do you think?"
- Hannig: "Representative, I would think that, you know, when we pass this budget and if it becomes law on July 1, we're certainly looking at a significant amount of time before the... the state and the agencies find any difficulty with the appropriation that they have. I think it's certainly possible that we could go through the entire fiscal year and if the state is able to manage wisely, that we can... we

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can deal with the appropriation level that we have. But certainly, if we find as we go forward that we have additional money say in January or even in December or November at the Veto Session we can always do supplemental appropriations."

Mulligan: "There's no money in here for the AFSCME contract, how do you justify that?"

"Representative again, we tried to set the priorities Hannig: where I think most of us would feel that we need to spend the money. And at least, in our caucus, when we polled our Members, education polled #1. So, to the degree that we felt that we could find additional moneys to spend, we put those new moneys in education and we would suggest that there will be opportunities for the Governor, as people retire, as people leave State Government, that those vacancies will simply exist and that we will manage that in that way along with line item any number of consolidations that the agency is proposing."

Mulligan: "Isn't it true that there were many positions this year the Governor put in the budget that were supposed to be hires that he promised AFSCME that were never filled?

And what about the correctional guards?"

Hannig: "Well, Representative, you're... you're actually correct.

I mean we could... we could pass a budget that would authorize ten thousand (10,000) new people on the state payroll and the Gover... Governor would not have to hire a single one. So, just because we pass a budget authorizing additional head count, as we have sometimes in the past, does not require this Governor or any Governor to hire

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those people. So, he's managed in the past at numbers less than the appropriated amount and so we believe he can manage again this year."

Mulligan: "Representative, there's no money in here for Medicaid payments. In order to get paid back from the Federal Government, you have to make the payments and if you don't make them the providers don't get paid. So, when do you think providers can expect to be paid? How much are you lengthening the payment cycle, which is already in a bad state now and so how are you going to cover that?"

Hannig: "Again, I would say the same thing, Representative. On July 1, there should be sufficient appropriation and moneys in the budget for the Governor to pay on a normal cycle. We believe that as we go forward if we find a situation where there is additional moneys in the Veto Session and... and at anytime, really, if the Governor wishes to call a Special Session we can always reconvene and we can deal with supplementals if additional revenues come in and we feel that that's an important enough issue to deal with."

Mulligan: "My time is about to expire, but..."

Speaker Turner: "Give her a minute."

Mulligan: "Representative Smith's just going to cede me his time."

Speaker Turner: "Representative Smith yields his time to Representative Mulligan. Go ahead."

Mulligan: "Thank you. What about the hundred million dollars (\$100,000,000) payment to Cook County Hospital? Is that a grant?"

Hannig: "That is a grant, Representative."

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Mulligan: "So, it's not matchable, you're not giving them for any particular service, so we cannot hope to see any matching funds for that."

Hannig: "Representative, this is a facility that provides the most uncompensated health benefits or health care in the State of Illinois for those who believe that we should have health care, I think this is one opportunity where we can help an institution that's actually providing free health care to people whenever they come in the door from wherever they live."

Mulligan: "Representative, I understand your position as the budget negotiator and the person presenting this Bill, but as a downstate I would be appalled that you're trying to fund a system that is totally corrupt. They have not... they have closed facilities. They are closing their health base They have fired their doctors; they are not clinics. paying their bills. You're giving them money that's unmatched. What you're do... they have stopped using the state lab; they have gone out to lab services that are a friend of the current county board president. They have ceased to... to do mammograms for the most ... There's four thousand (4,000)... we had testimony in committee... four thousand (4,000) mammograms that are sitting there unread from the most vulnerable people and you're giving them a hundred million dollars (\$100,000,000) for no specific services to a most corrupt system. I find this really, really interesting. They are not providing services to poor people, they are turning them away. The lines are long and they're not paying the doctors. How can you

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jerify (sic-justify) giving them a hundred million dollars (\$100,000,000) that is a grant? I do not understand that and I certainly think, particularly, when rural health is in such state that it is and the money could be spent in better ways, that you would give a system that is totally corrupt at this point that kind of dollars. I do not understand that."

Hannig: "Representative, again, this is a hospital that provides a huge amount of uncompensated care. It's the… it probably has the most amount of uncompensated care health care services to… to citizens of the State of Illinois many… at least some, from beyond Cook County who come in and… and are served. So this is an opportunity, I think, for those who say they believe in health care to try to be of some assistance to the biggest provider in the state."

Mulligan: "According to a <u>Tribune</u> article a few months ago, they are totally inept at funding their Medicaid match or trying to find... find any... file any papers in that area. They have shut down services. They are closing a care facility in Oak Forest Hospital, it was on the front page of the newspaper, yet your caucus has decided to give them a hundred million dollars (\$100,000,000) in a grant. That is really unconscionable. But let's move to some other parts of the budget. What did you raise the foundation level to in your education... the education portion of your budget?"

Hannig: "The amount went up by three hundred and eighty-seven dollars (\$387) and I believe that puts us at five thousand

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- seven hundred twenty-one dollars (\$5,721) under the proposed budget... under this proposed budget."
- Mulligan: "Did you include the supplemental... figures from the supplemental in your budget?"
- Hannig: "This does not include the supplemental, Representative."
- Mulligan: "So, do you think the supplementals going to pass and what happened to Representative Hamos's Bill that included COLA for all the people that were left in the dust last year?"
- Hannig: "Well, Representative, I'm a Sponsor of the supplemental and I'd be happy to call it if you could give me about 15 votes from your side of the aisle. I'm certain we could put it over to the Senate for their consideration."
- Mulligan: "I think you were told that we were willing to do that, there were but with some considerations. You did not get back to us on that. And quite frankly, we were more than happy to do that, particularly since there were a lot of good things in that."
- Hannig: "We can call it after this Bill, if it's... if you can show me that we have ten 10 or 15 votes on your side."
- Mulligan: "If your Leader would like to spend some time with Representative Cross, our Leader, I'm sure we could discuss that. And I'm sure we could still look at it tomorrow morning."
- Hannig: "Representative, you... you asked me the question if I was in favor of the supplemental and the answer is 'yes'.

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- And I... I just hoped that your side of the aisle would help us."
- Mulligan: "No I asked you... Representative, if you included the things in the supplemental, since it seems rather odd that it won't come out from the Senate in any shape or form. So if you would include the amount in the budget since it's so late, then the things that are in the supplemental would be included for those people that have been waiting, particularly the hospitals that are waiting for the money to come out of that. So I was just wondering where you put that money?"
- Hannig: "Representative, we... we're viewing the supplemental as a stand-alone Bill that... that came to this Body a month ago. I believe, and we're trying to find 60 votes to pass it."
- Mulligan: "My understanding is that you rolled over all your community projects of pork. It's always been the understanding of this Body when there was a reasonable understanding that that was a one year..."
- Speaker Turner: "You want to bring your remarks to a close, there is somebody else yielding."
- Mulligan: "Thank you, Mr. Speaker. Representative Hassert will cede me his time."
- Speaker Turner: "You may proceed."
- Mulligan: "So, let's go to the community college money. Of the community college money that you've added in there, have you made specific grants to specific community colleges or is it in lines that are available for community colleges to

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apply for in any way, shape, or form or is it just to specific community colleges?"

- Hannig: "So Representative, we've... we've appropriated specifically 7.2 million dollars(\$7,200,000) seven million two hundred and sixty-one thousand five hundred (7,261,500) to be what we believe to be... to offset the 50 percent of the cost associated with the Illinois Veterans' Grant. So we tried to, I think, identify a problem that... that a number of Members on both sides of the aisle have said that we... we need to deal with and then the rest is just available to be distributed amongst all the community colleges."
- Mulligan: "Let's go back to what happened about annualizing the pork projects or the community projects which normally is not done. And some of those were grants to community colleges. So, let me ask you, why in your budget did you annualize pork projects?"
- Hannig: "Representative, we took the '07 budget as is and made some changes where we thought we could put additional spending in, because of the lateness of the hour and the inability, I think, of our staff to pull together a huge document from scratch, we simply took the '07 budget as it existed and made changes in it where we felt were appropriate in the area of education and health care."
- Mulligan: "Is that because the Governor's budget was untenable and we've had all these months and nobody's worked on it?"
- Hannig: "Well, Representative, the Governor's budget as introduced is based on a Gross Receipts Tax which we would all agree is not going to happen; it's based on a payroll

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tax that... that may or may not happen it certainly hasn't passed any chamber today. And so he introduced a budget that was about 30 percent out of balance with... with what we're proposing here, so we took last year's budget because it seemed to be more in line with where we could... where we could work and start and then moved up, rather than try to take his budget and roll it way down."

- Mulligan: "I understand that there is no new money in here for aging, could you explain that to me and if there is, would you point it out to us, please?"
- Hannig: "That's... that's correct, Representative, and again it's a situation where we took the '07 budget and simply rolled it into the '08."
- Mulligan: "But you didn't just simply roll it into the '08, you made selected changes and you made selected omissions, such as the AFSCME contract."
- Hannig: "Representative, certainly we made changes in the budget in education and health care because we thought that was the highest priority of our caucus and I... and I think probably of your caucus. But we do not believe that given the limited amount of revenues that are available, that we can simply go through and make additions to every line in the budget. I wish that we could, perhaps we'll find that we have more money than we think and can come back and do that at a later time, but at this time, this is a very modest approach based on the revenues we believe that are available."
- Mulligan: "How many people in your caucus have actually had an opportunity to go through this budget Bill they're about to

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vote on, all nine hundred and thirty-two (932) er... pages of it?"

- Hannig: "Well, Representative, considering that 99 percent of it is actually last year's budget, you know, probably most of them that voted on it last year are familiar with most of what's in here."
- Mulligan: "You have a great deal more confidence than I in how many people go through a budget Bill and know what's there."
- Speaker Turner: "Representative, your time is up.

  Representative Coulson yields her time to you. Proceed."
- Mulligan: "Yes, I think I've asked enough questions. quite apparent that this budget is truly flawed and it's really too bad that in all the months we've had here we could not do a better job in where we're going with this, nor do we have a Governor and Leaders who seem to be able to speak to a Governor who never even shows up and so we're forced to present a document like this that lacks a great deal of specifity (sic-specificity). The other thing that I think is a problem, I think things like giving a hundred million dollars (\$100,000,000) to Cook County Hospital in a grant that has no audit provisions or no matchable, money is really a bad way to do it and I think the downstate people should be thoroughly insulted. The fact that there's no new money in aging and that there's a lot of things going on here that are a problem and the amount of time for this budget Bill and the manner in which it was presented are really a shame. I think you could do things in a little more honorable manner is it doesn't take that

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much trouble to not be a bully. Just a matter of how were you brought up and what were you taught to do and what do you do when you go home and you talk to your people, whether you did this in an honorable manner. You didn't solve problems. You work with a Governor who doesn't tell you the truth and a budget director who will not tell you the truth. We don't even know what the Medicaid payments are going to be and yet we have a budget sitting out here that doesn't tell you... tell you you're not going to make the payments. You're not going to honor the AFSCME contract, which is a contract in its multiyear phase that you have to honor. I think what you're doing is you're passing on a really interesting budget to a Governor who's a really interesting guy. So more power to you. I'm not putting my vote on it, but good luck."

Speaker Turner: "The Gentleman from Morgan, Representative Watson, for what reason do you rise?"

Watson: "Thank you, Mr. Speaker. Will the Sponsor yield?" Speaker Turner: "He indicates he will."

Watson: "Representative, first... appreciate the job you do, I know it's a tough job. A couple questions. Are there any additional... is there any additional funding for front-line employees in the state agencies, prisons, for example?"

Hannig: "It's at the same level as last year and you'll recall there was last year, I think, a seventy million dollar (\$70,000,000) lump sum that was available to the Governor for some new hires and that money is still in this document as well."

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- Watson: "So... so there's no guarantee where that will go; he can choose as you said, previously."
- Hannig: "Well, I mean, that's the difficulty we've had, Representative. Even when we've added new money for front-line positions the Governor may choose not to... not to hire. And so we can... and we can't compel him, in fact, he has had a good history for the taxpayers' point of view, I suspect, of being able to spend less than the appropriated amount on personal services."
- Watson: "Okay. Thank... Will... will any schools... will any school districts see a reduction in their total state aid? In other words, the total aid that will come to a school will there be any districts that will receive a reduction?"
- Hannig: "Well, we've got a 5.3 million dollar (\$5,300,000) amount in there for the transitional assistances too, so that all school districts will receive at least the same amount of money as last year. And you would think that with the three hundred and eighty-seven dollar (\$387) increase, which is about 8 percent in the foundation, that any school district that isn't losing huge amounts of... of students are seeing huge amounts of increases in property taxes that they should... they should see some pretty good increases in their General State Aid."
- Watson: "So... so, that... then that was a 'no' or... I think it was a 'no'."
- Hannig: "No school should... no schools receive less money than last year, that's correct, Representative."
- Watson: "Okay. And then final question is... is two (2) years ago when we were on a certain track for funding pensions

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this... this Body passed a law that... that basically changed the... the pension funding track that we were on. Do you anticipate or will there be any laws forthcoming that will... will change the pension funding plan for the next... for the forthcoming year?"

Hannig: "I certainly don't envision any, Representative."

Watson: "What is the p.m. what is the pension payment..."

Hannig: "The GRF portion of the... of the pension payment increases by about five hundred and fifty million dollars (\$550,000,000)."

Watson: "And that's allotted for in this budget?"

Hannig: "And... and that's correct; it's accounted for."

Watson: "Thank you, Gary."

Speaker Turner: "The Gentleman from DeKalb, Representative Pritchard, for what reason do you rise?"

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

Speaker Turner: "He indicates he will."

Pritchard: "Representative, you mentioned that this budget is a continuation of the 19... or the 2007 budget, is that correct?

Hannig: "That's correct, Representative, with some... some upward revisions."

Pritchard: "It... it seems that Representatives on this side of the aisle didn't experience this, but I understand that there's some Member initiative money in that 2007 budget.

Is that correct?"

Hannig: "There were proposals put into that budget in 19... in 2007. That's correct, Representative."

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- Pritchard: "So, my assumption is those... those dollars will be rolled into the 2008 budget."
- Hannig: "Well, Representative, those dollars... those values would be in this budget, but there's no commitments from the Governor's Office that he's going to spend them, in fact, my guess is, you know, who knows what will happen."
- Pritchard: "Okay. Well, we can only hope, right?"
- Hannig: "Right. In fact, I think there's some Members who would say that they're still waiting for the 2... or the 2007 promises to be done for whatever reason."
- Pritchard: "Actually, I'm waiting for the 2002 promises that were made to my school district. You also indicated that there wasn't any additional dollars in here for Medicaid payments. Is that correct, to catch up with what we didn't pay in 2007?"
- Hannig: "Representative, this would have the same amount of... of appropriation for Medicaid as we have in 2007."
- Pritchard: "Seems that I remember the Comptroller issuing a report a month or two (2) ago that said we were over 2 billion dollars (\$2,000,000,000) underfunded in the Medicaid line item for the previous budget year. So that rolled into 2007, is that correct?"
- Hannig: "It would roll in, Representative. There's a normal cycle that takes place in Medicaid, sometimes the providers... they have up to like two (2) years I believe to actually submit their bills. For whatever reason, some people take more than a normal cycle and so when they submit, they... they get in line even though they may be for the wrong fiscal year."

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- Pritchard: "Can... can the hospitals anticipate that and give the Bill early? My... My hospitals are waiting over seven (7) months to get paid."
- Hannig: "Well, Representative, we've got a supplemental appropriation Bill that deals with the hospital assessment and I... I don't know exactly which hospitals you would have, but it may be helpful to them if we could pass that Bill as well."
- Pritchard: "Well, that certainly deals with the bed tax that they've already paid for, I would hope that they could pay that. But I'm concerned that this budget doesn't reflect the fact that we have well over two billion dollars (\$2,000,000,000) in payments that the Comptroller already holding from past payments, so this certainly doesn't seem to be balanced when you take that into consideration. You mentioned that this budget also favors education and provides dollars for education. It's not in my district but close to my district is St. Charles Youth facility. It seems that they're not providing the education for the wards of this state who are being held in that incarceration because there isn't enough funding for staffing. How do we justify not providing education to those individuals?"
- Hannig: "Well, Representative, I think in the end many of the citizens I represent tell us that we just need to live within our means, that we need to make the hard choices that... that you and I make in our personal life, that government needs to do that and this is part of what we're doing here with this budget. It would be easy if we had an

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extra three or four billion dollars (\$3,000,000,000 or \$4,000,000,000) maybe we could all agree to skip a pension payment and we would just fund all of those things, but I think we've tried to not do those kind of things. We've tried to live within our means. And so, Representative, it's difficult to do, but I think we tried to take those dollars that are available and put them into the right priority."

Pritchard: "Well, I certainly would join you in that statement of trying to live within our means, I'm not sure this budget does that, because there are some critical needs that we certainly aren't addressing in this budget. And I would tend to agree with the other Sponsors that this budget certainly doesn't appear to be balanced as required of our Legislative Body. Thank you."

Speaker Turner: "The Gentleman from Macon, Representative Mitchell, for what reason do you rise?"

Mitchell, B.: "Thank you, Mr. Speaker. Would the Sponsor yield?"

Speaker Turner: "He indicates he will."

Mitchell, B.: "Thank you. Mr. Hannig, just a few questions in regards specifically... let's talk about community colleges. You and I come from same neck of the woods here. My community colleges haven't faired too well in the last several fiscal years. We have a 900 page document that we haven't seen, I'll bet most of the Members of this House. You said in terms of reporting a state budget out from Rules Committee without going to the appropriate Appropriations Committee that you can do it. Because you

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- can do it doesn't mean that you should do it. Now, I want to know specifically, Richland Community College in Decatur, Illinois, how are they going to do in fiscal year '08 compared to fiscal year '07?"
- Hannig: "Well, Representative, it would be the same as it was last year except that they would be reimbursed based on the number of Veteran's Grants that they had over and above last year."
- Mitchell, B.: "So, would they get... Could... could they receive less money? They've received less money in the last several fiscal years."
- Hannig: "Representative, if their attendance is way down, they could receive less money, since the formula is based to a large degree on how many student hours they actually enroll people. So, it is possible."
- Mitchell, B.: "So, we could be passing a budget, we don't know how much Richland or Lincoln Land, that you represent and I represent, or Heartland or Illinois Central College, all those community colleges that are so important to the economic health of central Illinois; we don't know."
- Hannig: "Because we... because we have a formula that's determined by how many people enroll."
- Mitchell, B.: "And... and we have a process that Appropriations Committees don't mean that they're Appropriations Committees. Now, I can tell you for the people that I represent in central Illinois, they're highly skeptical of what's happening here under this dome when they read in the newspapers that Chicago State is going to get forty million dollars (\$40,000,000), in the gaming. And that Illinois

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- State is going to get cut, which I represent near that area, McLean County; they're skeptical."
- Hannig: "So Representative, this doesn't cut Illinois State, this budget..."
- Mitchell, B.: "Are they sure? Do... do, they get the rate of increase that Chicago State University's getting?"
- Hannig: "They'll get the same am... both universities will get the same as last year, under this proposal with an adjustment upward."
- Mitchell, B.: "Okay. Thank you. Thank you. To the Bill."
- Hannig: "So... so, it's a flat... it's an across-the-board adjustment."
- Mitchell, B.: "To the Bill. To the Bill. We're here; we're doing a budget. No one knows what's in this budget we're going to send it through. And we spent some time talking about electric rates and my colleagues, my Democratic downstate colleagues at Ameren, said they're not going to vote for a state budget unless we get some electric rate relief. Why are my fellow Democratic colleagues from downstate Illinois prepared to vote for a budget without providing the people of downstate Illinois any rate relief? What do I tell Eunice Russell in Emden, Illinois? says, 'I'm eighty-seven (87) years old and live on Social Security. I have three (3) rooms and a bath. I can't afford to pay these bills.' What do I tell Lois Trotter in Decatur, Illinois? She doesn't know what she's going to do. She's seventy-eight (78), she can't pay her bills. And this General Assembly said we pay a lot of lip service, we play a lot of politics that the people of Illinois are

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awfully darn tired of. We send a Bill over to the State Senate; they send another one over here, but the people of Illinois are continuing to pay high electric rates and nothing's happening. Where are my colleagues in downstate Illinois standing up for those people? They need help."

Speaker Turner: "The Gentleman from Winnebago, Representative Winters. Representative Winters, for what reason do you rise?"

Winters: "Thank you, Mr. Speaker. Believe it or not, I actually rise in reluctant opposition to this Bill. I had hopes in the last couple of days that this General Assembly, and particularly this House, would look at this state budget and the condition that our state economy is in with higher gas prices that we're all facing as we drive back and forth between our homes and Springfield, at the electric rates that are savaging the family budget. Ι thought that we could actually live within our means. We have a three hundred million dollar raise taxes. (\$300,000,000) tax increase that's already passed this chamber tonight, that this budget depends upon. We proposed numerous sunshine Bills so that we would have a chance to go in and look at the differences between last year's budget and this. Not one of those Bills was released from the Rules Committee. This Bill was dropped into the computers a couple of hours ago. It's over 900 pages long and while much of it is like last year's budget, much has changed. We have not had a single committee hearing. No chance to ask questions except on the floor, no experts that can tell us whether, in fact, this is a

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budget that is in balanced. I had high hopes. But what I'm reluctantly here saying is that while you had the privilege of having the Governor of Illinois in your caucus, last week I believe it was, I think the interchange between the Democratic Caucus and the Democratic Governor went the wrong way. I heard rumors that you chastised the Governor and told him to get real. But what's happened is I think Rod has rubbed off on you. You have lost. have lost the respect of this state and deservedly so. are just like the Governor in that no one can trust you. My statement made that no one can trust you is based on the fact that this budget is not balanced regardless of whether or not you ruled a balanced budget note inapplicable. have not appropriated money beyond what we did last year for Medicaid pensions empl... employee health care and the AFSCME contract. You are obligated to pay those expenses and they add up to over a billion dollars (\$1,000,000,000) that you have not appropriated money for. Now you've promised people in this budget balanced. there's going to be an increase for your schools, there's going to be an increase for nursing homes of seventy-five million dollars (\$75,000,000). There'll be an increase for universities. There'll be an increase for student aid. There'll be an increase for community placements for DCFS, for early childhood. All of those increases are based on a foundation that's built on sand, not on solid rock but on sand. Because when the bill comes due, when we are forced to pay the pension payment that we're obligated to pay, the money will transferred out of the GRF. There won't be

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money left to honor your promises. People of Illinois, if you are expecting the state to help your program, get your fe... foot in the door quick before the door slams on you 'cause there's not going to be money at the end of this fiscal year to pay for the programs that you thought the Democratic Party had promised you. They have not honored their promise with this budget. Its a billion dollars (\$1,000,000,000) in unbalanced today, it's not going to get any better the rest of this year. You will not be able to fulfill your pledge to the people of Illinois. I'm ashamed that this is the way this House is being run. I've always respected the Leadership; I think they're brilliant people, but please don't lie to the people of Illinois and say that you have a balanced budget and that you're going to satisfy their needs because you're not. You did not increase what you had to from last year's budget and you promised things that you cannot fulfill."

Speaker Turner: "The Gentleman from Bond, Representative Stephens, for what reason do you rise?"

I have to hand it to your... your... your Party. You... you swept us out of office, you took over every... every statewide office, took over both chambers. You have raised the expectations of the Illinois electorate to a... to a degree that, well, it's going to do nothing but leave them disappointed because they have expectations. The Party of the people. Give me a break. I look at this budget. One of the biggest issues in my district budget wise, would be special education. You do not a thing, not a thing extra

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for special education. Chicago State does all right. We're going to spend a couple hundred grand (\$200,000) to study slave trade. I tried to read this budget. I... I... my seatmate and I timed it. I was speed reading at the maximum speed of the... the cursor movement on the computer and it takes 60 minutes just to flash the entire budget before your eyes, 60 minutes to not pause and study one line, 60 minutes just to have your eyes before each line of the budget. We're going home tonight with this budget and we're going to say what to the people? You know, the folks in my district and in yours crunch financial crunch, at the gas pumps. And nothing here to help give relief for those people who are paying three dollars and fifty cents (\$3.50), the highest prices in the nation. Nothing here to help them. Nothing about Ameren and ComEd relief. you're going to talk... your downstate Democrats are going to say, 'Well, you know what? We'll... we got this deal, we're going to have a deal and we won't pass a budget. We got a deal. We won't pass this budget. We won't put our votes on it until we know we got relief. The numbers that I'm hearing that you're going to try to call relief abysmal; it's an absolute embarrassment. Every dime we could give back would not be enough, but your proposal is going to be characterized as abysmal. You have failed the ratepayers of Illinois. You have failed the people who have to fill their tanks up to go to work every day and you have failed the taxpayers with this budget. process run by Democrats, created by Democrats, Democrats, is Democrats and it is a failure. Your Party

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has turned its back on the very people who sent you here with this huge mandate. Let'em run everything; everything is going to be in ruin."

Speaker Turner: "The Gentleman from Champaign, Representative Rose, for what reason do you rise?"

Rose: "A question of the Sponsor, Mr. Speaker."

Speaker Turner: "State your question."

Rose: "There's some discrepancy here about whether the previous supplemental was included and there was some discussion earlier. Are there any pay raises for Legislators in this, Representative?"

Hannig: "Not in this budget, Representative."

Rose: "Any COLAs?"

Hannig: "There are not, Representative, it's a flat budget."

Rose: "Okav."

Hannig: "In that area."

Rose: "Does the RTA do anything in this budget, Representative?

Does the RTA get anything?"

Hannig: "It's... It's all flat, Representative, same as last year."

Rose: "Chicago Transit Authority."

Hannig: "The... there are the across-the-board increases for universities, but they're all treated the same."

Rose: "But no, no. Chicago Transit Authority, not Chicago State University."

Hannig: "Oh, I'm sorry, I thought you said Chicago State."

Rose: "Well, we can talk about that, too, but I was asking about the Chicago Transit Authority."

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Hannig: "Representative, I... I always associate you with the higher ed guys, so... so, I guess I was thinking that way."

Rose: "Thank you."

Hannig: "But no, the… those areas of the budget are flat.

They're the same as last year. They're practically Xeroxed copies."

Rose: "But there is a hundred million dollars (\$100,000,000) for the Cook County Hospital, correct?"

Hannig: "That's correct, Representative."

Rose: "Okay. To the Bill, Mr. Speaker. And... and frankly, to my colleagues on the Democratic Caucus. Do you ever wonder why you ruled our balanced budget note inapplicable? What don't they want you to know? What don't they want you to know? Why did you vote for that and say we don't want to know what's in this budget, we don't care what's in this budget? You know why? Because it's not balanced. It's not balanced. You've had to rank and file just about as much time as we've had with this budget. Not one of you's read it and your one chance to know whether it was balanced, you just ruled inapplicable. Bang up job. You wonder why we didn't have Appropriations Committees tonight? Same reason, not balanced. No Appropriations Committees. You know what, I've been here for five (5) The Appropriations Committee, the committee years now. process, the committee... forget appropriation, the committee process by itself is the heart of government. It's where Bills are made better. It's where ideas are vetted. It's where good ideas go forward and bad ideas stay behind. But that was skipped tonight. Why? Will my colleagues on the

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other side of the aisle ever stop to ask themselves why? Because the balanced not budget. The balance... the budget's not balanced, they don't want you to know. Mr. Speaker, as far as I'm concerned, this isn't a banana republic, this is a Chicago republic."

Speaker Turner: "The Gentleman from Vermilion, Representative Black, for what reason do you rise?"

Black: "Well, Mr. Speaker, just let me say, I've been to Chicago, I'm taking my grandchildren up to Chicago in a couple of weeks. My five-year-old granddaughter, I'm taking her to American Girl. I can hardly wait, I have my reservations. I've also gotten a bank loan because I hear American Girl dolls and accessories are very expensive. So, I like Chicago, but I'm glad I don't live there. I don't want your traffic, I don't want your problems. But you know, I... I've sucked up enough to you, Mr. Speaker."

Speaker Turner: "You're all right."

Black: "I've said good things about Chicago, still got a couple of Bills I'd like to get called. Will the Sponsor yield?"

Speaker Turner: "He indicates he will."

Black: "Representative Hannig, it's a question I'm not sure that anybody can answer and I think you've handle this very well. Do we have any indication, does your side of the aisle have any indication whether the Governor will sign this budget should it get to his desk?"

Hannig: "We do not, Representative."

Black: "That's what I was afraid of. Let me follow up very quickly on what Bill Mitchell said. I am an unabashed supporter of community colleges. I think they are the

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light cavalry of higher education. They do amazing things, giving people second and third chances at skills upgrading and new job skills in a... in a fast changing, highly technological world. Can I tell my community colleges that their equalization grants will be funded? I've heard they're flat, Gary, and I can't find it in the budget. I mean, I... are community colleges flat funded or is there some growth in there?"

Hannig: "It... they're... they're level, but we've also included money for the... for the veterans' grants, Representative.

And I think that was..."

Black: "Well, and I... and I am glad... I'm happy to hear that."

Hannig: "...that was an issue that many of us on both sides were interested in."

Black: "Yeah. I was hoping for more money in equalization, but I did have a Bill. I think it's criminal what we did last year and as you said, there was money to pay that. The Governor chose not to do so. And I'll never forget his statement, 'Well what's the problem, the veterans are going to school, aren't they?' Somebody has to pay the teachers, somebody has to pay the overhead and we weren't doing that. I'm glad to hear that's in there. On the sixty million dollars (\$60,000,000) of member projects that are still in there, is there a shelf life on the memorandums of understanding?"

Hannig: "Well, Representative, you know, they... they were signed last year, I don't know what the..."

Black: "Okay."

Hannig: "...what the status is for this year."

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Black: "I noticed that the Department of Human Services received a budget increase. And... and I don't mean to be... I don't mean to be facetious but have you taken steps to make sure that the two \$80,000-a-year chauffeurs are not funded in next year's budget?"

Hannig: "Representative, we didn't line them out, but..."

Black: "In other words, it's a... it's really what you've said all along, it's a management problem."

Hannig: "Exactly, Representative."

Black: "And I think that's the problem and that's where we need to look, it's a management problem. You don't let people hire \$77-\$80,000 chauffeurs and then one person says, 'Yeah but look at the money I saved because he can stay in the same hotel room with me.' Holy mackerel. When all is said and done, Representative, I go back to what you said earlier, we have to live within our means. There is no and... and we told the Governor this in the ... Committee of the Whole. There was no significant support for massive tax increases. So we do the best we can. We've offered a budget that we think was the best we could do. You've raised taxes three hundred million dollars (\$300,000,000) and you presented a budget that you think is the best you can do. But I... I would be... I would be remiss if I didn't again say there are two (2) fundamental problems that we have here. We have the ability if we will find the will to change it. It is not fair to the public, it is not fair to the press, and it's certainly not fair to any Member on this House Floor that we get a 945- page budget at 5:00 p.m. and six (6) hours later you're asking us to vote on

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it. That is not right. It's not good business. We can change that if we… but would have the will to do so. And last but not least, at the risk of repeating myself, I think this budget process…"

Speaker Turner: "...your remarks to a close."

"Yes, I will. I think this budget process has denied the basic rights of a representative democracy to a significant number of people who are elected to serve here. We go through everything you do. We campaign, we go to all the chicken dinners, the chicken and noodle dinners, there's not a great deal of difference in how we get here. And for me to go home and tell people at the coffee shop and they don't believe me. Well, Bill, why didn't you do this? Why didn't you speak up? Why didn't you get us this? Why didn't you fight harder? I tell them the truth. We weren't allowed to participate. Nobody from our side of the aisle is allowed to participate for the second consecutive year, not our Leader, not our appropriations people, not our staff. We are not allowed participation in budget meetings. That is absolutely unconscionable and again, I would hope that next year we would find the will to put a little sunshine in the appropriation process and involve both Parties and all four (4) caucuses..."

Speaker Turner: "The Gentleman from McDonough, Representative Myers, for what reason do you rise?"

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

Speaker Turner: "He indicates he will."

Myers: "Representative Hannig, I want to commend you on the job that you do as the budgeteer for the House Democrats. I

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think you do an admirable job and you always have an explanation for everything, so I hope you will have some explanations for some of the questions that I will be asking. I do want to commend the budget for having additional dollars in there for higher education and the operating side of it. But at the same time Representative Black referred to the budget of 945 pages. Nine hundred and forty-five (945) pages and I printed off just about 16 or 17 pages specifically dealing with higher education. And within those few pages are several specific items and just one pops out, thirty thousand dollars (\$30,000) to Chicago State University associated for the display of a permanent exhibit in the university library. Now, memory serves me correctly, that was an appropriation from last year, was it not?"

Hannig: "That's correct, Representative."

Myers: "Thirty thousand dollars (\$30,000), is that a two-year project?"

Hannig: "No, Representative, and... and there's no... there's no guarantee that... that part of the budget will be spent.

It's just that we... in an effort to construct a budget in the time frames that we had..."

Myers: "Well, but Repre..."

Hannig: "...and with the staff that we have, we built off of the 07 budget."

Myers: "But my point, Representative Hannig, is that I would've assumed that a lot of those line items would've been spent last year in the 2006..."

Hannig: "They... they probably were, Representative."

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Myers: "And so they're... they're added back into this year's budget. The other thing is, it doesn't say reappropriated it says appropriated, like it's a brand new item. Why is that?"

Hannig: "That's correct. Well, Representative, again, it's because of the nature of how we put the budget together, how we actually went about the process of... of putting the... the budget numbers on a piece of paper. So, we started out with the '07' budget, then we added on some of the items that we felt were important. We didn't have the time and the staff to go through every line and scratch out every item that we would probably have agreed with you on needs to be removed because the items have been spent. But those things do remain and probably and... and like I would say to you there's... there's no agreement with the Governor that he's going to spend that money again."

Myers: "Well, I would certainly hope not, if they've already had this display and several other items that I've listed in these 17 pages, I certainly would hope that he doesn't spend it on that same item again."

Hannig: "Right."

Myers: "Although a number of those items and you know, it could be for the University of Illinois to fund the Fire Service Institute. Those kind of things we understand. They're an ongoing appropriation every year to fund a specific item or a service within the university, but there's a lot of others that weren't. Now, out of just the first... out of just those 16 or 17 pages we can identify one-time items. How many others are throughout the 945 pages that are

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available to be spent some other way? Now, I realize that if you have a thirty thousand dollar (\$30,000) item here or a hundred thousand dollar (\$100,000) item there that there has to be some way to designate that the Governor can spend it on something else that could be a supplemental appropriation that designates a different spending method. But how many other items are in there that give the Governor an opportunity to spend money where we didn't intend it to be spent?"

Hannig: "Well, Representative, he does have the ability to transfer money. So, if this budget were enacted into law and the Governor would say, look, these projects are done, he could transfer that money into another line item within that budget. So it does give him some opportunity to... to address some of the deficiencies that may otherwise be in the budget on the spending side, as well. So, it... it's... they're in the budget, they are what they are, but I think that the Governor would have an opportunity to use the money in a way that's probably needed."

Myers: "Well, thank you, Representative Hannig. You've personally answered my questions I just wish that there were more definite answers on how the Governor would be spending this money."

Speaker Turner: "The Gentleman from Crawford, Representative Eddy, for what reason do you rise?"

Eddy: "Thank you very much. Would the Sponsor yield for a couple of questions?"

Speaker Turner: "He indicates he will."

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- Eddy: "Representative, pertaining to the... the State Board of Education budget, do you have any idea how much money was in the FY07 budget that we might call pork?"
- Hannig: "Well, Representative, probably if you talk to Members on my side of the aisle they would say none."
- Eddy: "Well, I understand. But let's say special projects then, let me change the..."
- Hannig: "I... I don't know the answer, Representative."
- Eddy: "Wou... would it be safe to say that there's some money in there that's designated for and... I... I'll change my... for special programs?"
- Hannig: "There were... I'll... I'll be the fir... Yes. So,
  Representative, I'll tell you that I was able to insert
  money into the budget last year for an after school program
  in my district. It's been a very successful program. I'd
  be happy to take you down there and show it to you."

Eddy: "Well, let's do that sometime.

Hannig: "Really."

- Eddy: "That's quite an offer, I'd enjoy that. But... in the meantime, is that program then funded again as an ongoing program as a result of this?"
- Hannig: "Well, Representative, last year I... we were able to sign an MOU with the agency. We had a guarantee going in. The money's in the budget, but I'll be the first to tell you, as well, that I have no guarantee from the Executive Branch that... that this will be funded."
- Eddy: "Okay. So, for example, I know Representative Smith has been a champion of the laptop program. The five million dollars (\$5,000,000) that was appropriated last year for

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- the laptop program, is that likely to be contained in this budget, as well?"
- Hannig: "If... if it was in '07 it's in this one as well,

  Representative."
- Eddy: "Okay. Since there wasn't any money in the '07 budget, although we did request an amount to make sure we paid for the funding and if this... out of General Revenue to build the twenty-four (24) schools that are on the '02 list, I would assume then that there wasn't any special consideration made to make sure we had one-time money in there to pay for those, because it wasn't in last year's?"
- Hannig: "Well, Representative, we do... there's no capital in this other than the pay-as-you-go capital. But I think there is a plan and some discussions that are going on, on a bipartisan basis in this... in this chamber and I think in this building to try to find a way to do a capital budget which would include on... on the first page, money to take care of those schools that are waiting for their checks."
- Eddy: "Okay, I understand that."
- Hannig: "And... and to actually go beyond that and re-institute a school construction program along with some other things."
- Eddy: "So, in other words the answer to... the actu... that would have to pass. But in this budget there isn't that kind of one-time money, obviously, and that's the question."
- Hannig: "This... this is an operational budget and there's no...

  there's no capital other than the pay-as-you-go capital."
- Eddy: "Truant Alternative Optional Education money that's funded at the level last year? And there's no change in the language in this budget regarding the allocations, so

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that those folks that currently offer truant alternative programs can expect to continue to offer those programs under this budget?"

Hannig: "There's no change in language or... in amounts."

Eddy: "Okay. So, earlier in the year there was some discussion about the possibility of additional money going into that to make some changes so that there would be additional funding to kind of direct money toward population areas, but that... nothing in here for that?"

Hannig: "No, we actually... and Representative, if we had a lot more money those would be the kind of things that we could do if we had more money come in during the fiscal year. We can still do supplementals, but I think we felt that the item that probably... the items that are probably of most interest to the Members in this chamber were the categoricals and trying to keep them at the same levels as last year, the General State Aid, to try to push it as far as we could. And in the transitional assistance to make sure that every school district res... received the same amount of money, at the very minimum, the same amount money as last year."

Eddy: "In... in the state board budget they had proposed an increase in bilingual education for both Chicago and downstate and the level funded budget does not... does not increase that request. Do you foresee any kind of a problem with level funding in bilingual education this year and might there be an adjustment to that?"

Hannig: "Well, Representative, an adjustment could happen if we passed a supplemental appropriation and that would be

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something that if we had money and we had the will to spend it in that direction and that was our priority, we certainly could do that. But at... in this proposal, it's a flat... it's a flat item."

Eddy: "And it's your contention that there's no projects or program cuts or reductions in this budget from last year?"

Hannig: "Re... restate the question."

Speaker Turner: "Bring your remarks to a close."

Eddy: "There are no program cuts or reductions in this budget from last year's education budget, only those increases that are planned?"

Hannig: "That's correct."

Eddy: "Thank you."

Speaker Turner: "The Gentleman from Cook, Representative Miller, for what reason do you rise?"

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

Speaker Turner: "He indicates he will."

Miller: "The rate of... there's been a lot of discussion in regards to the increase in higher ed. Can you just sort of expound on that just a minute? Expound on what..."

Hannig: "Yes. So, Representative, there would be like a 2 percent increase to all the state universities across the State of Illinois."

Miller: "And so and how much would the community colleges get?

Or how much..."

Hannig: "Seven point two million dollars (\$7,200,000) primarily to offset the costs of the Illinois Veterans' Grants."

Miller: "Okay. Which affect any university and as far as the equalization grant, what I heard earlier was the fact that...

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that it just depends on the formula that it currently exists and essentially the Veterans' Grant is a more fairer way to distribute the funds to universities to community colleges. Correct?"

Hannig: "Yeah, I think, Representative, there seem to be a bipartisan desire to try to reimburse the community colleges for the costs that they were incurring for... for these... for taking care of these veterans as they were mandated to do, so we..."

"Yeah. One thing in Higher Ed Approp Committee, I Miller: think we had universal support in regards to trying to support, you know, the Veterans' Grants, how this is still just a small token of what's really needed. But it really helps and I think goes a long way. To the Bill, Mr. Speaker. There's been a lot of talk about Chicago State and I just want to sort of put this in perspective for everybody. Under this budget plan, Chicago State gets eight hundred and twenty-three thousand (823,000), compared to University of Illinois gets fourteen million, two hundred and twelve (14,212,000), Illinois State University gets one million six hundred (1,600,000). NIU gets two million, seventy-eight (2,078,000). SIU gets four million, four hundred and sixty-three thousand (4,463,000). fact, Chicago State is one of the lowest amount of... of receiving funds under this proposal, but it's distributed under 2 percent. I find it hard to support this budget, but yet I do. Because I believe with other folks on the other side of the aisle that the Veteran's Grant needed to be funded at twenty million dollars

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(\$20,000,000). I also believe that we need to fully fund EFAB's recommendation and this Bill doesn't live up to it. It only increases the state aid up to three hundred and eight... seventy... eighty-seven dollars (387) for a total of five thousand, seven hundred and twenty-two dollars (5,722) at the foundation level. But you know what? I put a Bill in this chamber and tried to get support to try to get to that level, but it didn't pass and it didn't get moved only to a limited extent, because we couldn't find the support. You know, the one thing we can sit and talk about what's not in this legislation and what's not in the budget, but the one thing that we try to do is we have to find the money. And we have all know about the Civic Federation Report that our state is in a structural deficit. until we start taking the hard vote and start showing leadership in our own communities and start leadership down here of what are we willing to support to get the res... additional revenue. That is what is on the table, people and that's on both sides of this aisle. So I have to support this Bill because this is how we make lemonade out of lemons. I don't want this. I wish there was a two billion dollar (\$2,000,000,000) budget in front of us so we can fully fund our education system, so our kids don't have to depend on the zip code that they live on, as opposed to what's in their hearts. But this is what we're forced I wish we had money for our Veterans' Grants that come home from the war, but this is what we have to vote I wish we had the guts here to support the income increase no matter what. I wish we had the support for

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revenue. But we don't. This is what we're faced with. So, until we start to have the fortitude to do the right thing and really look at our budget in a sense that makes sense to meet the state demands, to ask for the increases that Members on the other side of the aisle have asked for, for their AFSCME workers, who have asked for the Department of Corrections. You won't get an argument on this side, you won't get an argument from me. But until we do that, we're going to be faced with this... these patch holes. You know, so at the end of the day we have to ask ourselves, is this the best we can do? This is what we have to face today, right now. And do I like it? No. But I am going to support this Bill. My Senator and myself have tried to improve the education system here in the State of Illinois. We're trying to improve higher ed working with both sides of the aisle. But where is it, people. At the end of the day we need votes. Representative Ryg, Members of ... "

Speaker Turner: "Bring your remarks to a close."

Miller: "We tried to act to try to get accountability votes. The Mayor's Caucus, the Burnham recommendation, everybody is trying to get votes, but it hasn't materialized, so what are we going to do? We're going to vote on this patchwork and try to move from here. This is a foundation of what we need to build on. And at the end of the day, I don't like it but we need to do it. We need to keep our government moving and hopefully, as we move forward on both sides of the aisle, that we work together to try to make this state better. Thank you."

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Speaker Turner: "The Gentleman from Lake, Representative Beaubien, for what reason do you rise?"

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

Speaker Turner: "He indicates he will."

Beaubien: "Okay. Thank you. I just want to go directly to the Bill, if I could have the attention of the other side of the aisle."

Speaker Turner: "To the Bill."

Beaubien: "Yes, to the Bill. Our analysis indicates you're spending approximately eight hundred million dollars (\$800,000,000) which we contend you do not have. It starts out with a billion-plus deficit right off the top when it hits the Governor's desk. The point is, this eight hundred and one million dollars (\$801,000,000) is the base to begin next year. The same people are going to come back for the same amount of money, we are not going to have it. At some point you got to stop the bleeding. I just want to make that point. We're not going to collect eight hundred and one million dollars (\$801,000,000) more, we're not even going to come close and these agencies and these groups are going to want the same amount of money next year. At some point we have to say 'no'. Thank you."

Speaker Turner: "Representative Hannig to close."

Hannig: "Well, thank you, Mr. Speaker and Members of the House. Earlier in the calendar year, the Governor came to us and he gave us his spending plan for FY08. And I think all of us, whether you liked it or not, would agree that it was a very bold plan that tried to address some of the inequities

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we have in education funding and went on to try to provide a universal health care proposal, things that most people I think in this chamber would say were good. But it was predicated on a Gross Receipts Tax. It was predicated on administrative chargebacks and it was predicated on sweeps. And we said 'no'. We said, 'no, we're not going to be a part of a budget that has a Gross Receipts administrative chargebacks, and sweeps.' And so we put together, with this document, something that allows us to live within our means, but yet address the top priorities that I think all of us agree need to be dealt with here in the State of Illinois, education and health care. So while I've heard some Members of the other side of the aisle say that, well, you know, we're not spending enough on this and we're not spending enough on that and you're way over budget over here. Then I see other people say, well, you don't really have this money, you're spending more than you have. And so I think what we've really done is struck really the best balance we could with the revenues that we This is a budget, a solid budget, that allows us to move forward. And so I'd ask for your 'yes' vote."

Speaker Turner: "I'd like to remind the Body, there's been a request for a verification. So, we'd like to remind the Body that every Member should punch his own button. On this question, the question is, 'Shall the House pass Senate Bill 1132?' All in favor should vote 'aye'; all opposed vote 'no'. The voting is now open. Have all voted who wish? Representative Lang. The Clerk shall take the record. On this question, there are 63 voting 'aye', 53

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voting 'no'. And Representative Mulligan would like to ask the staff and Members to be in their seats. And the staff should retire to the rear of the gallery. Representative Mulligan, on a verification. I should say, Mr. Clerk, read the affirmative."

- Clerk Mahoney: "The following Representatives voting in the affirmative are: Acevedo, Arroyo, Beiser, Berrios, Boland, John Bradley, Rich Bradley, Brosnahan, Burke, Chapa LaVia, Collins, Colvin, Crespo, Currie, D'Amico, Monique Davis, Will Davis, Dugan, Dunkin, Feigenholtz, Flider, Flowers, Ford, Fritchey, Golar, Gordon, Granberg, Hamos, Hannig, Harris, Hernandez, Hoffman, Holbrook, Howard, Jakobsson, Jefferies, Jefferson, Joyce, Lang, Joe Lyons, Mautino, May, McCarthy, McGuire, Mendoza, Miller, Molaro, Nekritz, Osterman, Phelps, Reitz, Riley, Rita, Ryg, Scully, Smith, Soto, Turner, Verschoore, Washington, Yarbrough, Younge and Mr. Speaker."
- Speaker Turner: "Remind the staff again to retire to the rear of the gallery. Representative Mulligan."
- Mulligan: "Thank you, Mr. Speaker. It's always nice to hear the names of people that voted on another infamous, glorious budget in the State of Illinois. We think that your staff has done a wonderful job of keeping everybody here and everybody's interest so we will decline to do the verification. Thank you."
- Speaker Turner: "The Lady withdraws the verification. On this question, there are 63 voting 'aye', 53 voting 'no', 0 'presents'. And this Bill, having received the

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Constitutional Majority, is hereby declared passed. Speaker Madigan."

Madigan: "Ladies and Gentlemen, I'd like to outline for you the plan for the remainder of the evening. And so the Speaker will read some Bills on Second Reading, then we will call the Supplemental Appropriation Bill and then we will call what's referred to as the 7 percent Bill. So we need all Democrats to stay here. All Democrats to stay here. Thank you."

Speaker Turner: "Mr. Clerk, Rules Report."

Clerk Mahoney: "Representative Barbara Flynn Chairperson from the Committee on Rules, to which the following legislative measures and/or Joint Action Motion were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: 'approved for floor consideration' is Amendment #1 to Senate Bill 182, Amendment #3 to Senate Bill 194, Amendment #2 to Senate Bill 1299, Amendment #1 to Senate Bill 1580; 'on the Order of Concurrence' is a Motion to Concur in Senate Amendment #1 to House Bill 50, a Motion to Concur in Senate Amendment #1 to House Bill 820, a Motion to Concur in Senate Amendment #1 to House Bill 991, a Motion to Concur with Senate Amendment #1 to House Bill 1491, a Motion to Concur in Senate Amendment #2 to House Bill 1628, a Motion to Concur in Senate Amendment #1 to House Bill 3091, a Motion to Concur in Senate Amendment #1 to House Bill 3512, a Motion to Concur in Senate Amendment #1 to House Bill 3618 and a Motion to Concur in Senate Amendment #1 to House Bill 3721."

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- Speaker Turner: "Mr. Clerk, Supplemental Calendar 1. Mr. Clerk, will you read Supplemental Calendar 1. On the Order of Senate Bills-Second Reading, we have Senate Bill 4. Read the Bill, Mr. Clerk."
- Clerk Mahoney: "Senate Bill 4, a Bill for an Act concerning health. Second Reading of this Senate Bill. No Committee Amendments. No Floor Amendments. All notes have been filed."
- Speaker Turner: "Third Reading. Senate Bill 13, under Supplemental Calendar #1. Read the Bill, Mr. Clerk."
- Clerk Mahoney: "Senate Bill 13, a Bill for an Act concerning revenue is on the Order of Third Reading."
- Speaker Turner: "We have Senate Bill 66. Read the Bill, Mr. Clerk."
- Clerk Mahoney: "Senate Bill 66, a Bill for an Act concerning finance. No Committee Amendments. No Floor Amendments. No Motions filed."
- Speaker Turner: "Senate Bill 153. Third Reading. Senate Bill 153. Read the Bill, Mr. Clerk."
- Clerk Mahoney: "Senate Bill 153, a Bill for an Act concerning public employee benefits. Second Reading of this Senate Bill. Amendment #1 was adopted in committee. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. Senate Bill 194. Read the Bill, Mr. Clerk."
- Clerk Mahoney: "Senate Bill 194, a Bill for an Act concerning education. Second Reading of this Senate Bill. Amendments 1 and 2 were adopted in committee. Floor Amendment #3,

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- offered by Representative Hannig, has been approved for consideration."
- Speaker Turner: "Third Reading. Senate... I'm sorry. So,
  Senate Bill 194, we will recognize Representative Hannig on
  Amendment #3. Representative Hannig."
- Hannig: "Yes. Thank you, Mr. Speaker and Members of the House.

  On the Amendment, this is the a budget implicate... budget...

  we need to implement this for the a budget and this is... for
  the part of the... special part of the Bill. I'll explain it
  on Third Reading. I'd ask that we adopt the Amendment."
- Speaker Turner: "The Gentleman moves for the adoption of Amendment #3 to Senate Bill 194. All those in favor say 'aye'; all those opposed say 'no'. In the opinion of the Chair, the 'ayes' have it. And Amendment #3 is adopted. Further Amendments, Mr. Clerk?"
- Clerk Mahoney: "No further Amendments. All Motions have been filed."
- Speaker Turner: "Third Reading. On the Order of Supplemental Calendar, we have Senate Bill 380. Read the Bill, Mr. Clerk."
- Clerk Mahoney: "Senate Bill 380, a Bill for an Act concerning caller identification. Second Reading of this Senate Bill.

  No Committee Amendments. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. We have Senate Bill 489. Read the Bill, Mr. Clerk."
- Clerk Mahoney: "Senate Bill 489, a Bill for an Act concerning vehicles. Second Reading of this Senate Bill. No

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- Committee Amendments. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. We have Senate Bill 531. Read the Bill, Mr. Clerk."
- Clerk Mahoney: "Senate Bill 531, a Bill for an Act concerning trusts. Second Reading of this Senate Bill. Amendment #1 was adopted in committee. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. Mr. Clerk, we have Senate Bill 544. Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 544, a Bill for an Act concerning regulation. Second Reading of this Senate Bill. No Committee Amendments. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. We have Senate Bill 546. Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 546, a Bill for an Act concerning government. Second Reading of this Senate Bill. Amendment #1 was adopted in committee. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. We have Senate Bill 574. Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 574, a Bill for an Act concerning regulations. Second Reading of this Senate Bill.

  Amendment #1 was adopted in committee. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. We have Senate Bill 647. Read the Bill, Mr. Clerk."

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- Clerk Bolin: "Senate Bill 647, a Bill for an Act concerning public employee benefits. Second Reading of this Senate Bill. No Committee Amendments. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. We have Senate Bill 662. Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 662, a Bill for an Act concerning elections. Second Reading of this Senate Bill. Amendment #1 was adopted in committee. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. We have Senate Bill 1299.

  Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 1299, a Bill for an Act concerning regulations. Second Reading of this Senate Bill.

  Amendment #1 was adopted in committee. Floor Amendment #2, offered by Representative Holbrook, has been approved for consideration."
- Speaker Turner: "The Gentleman from St. Clair, Representative Holbrook, on Amendment #2. Representative Holbrook moves for the adoption of Amendment #2 to Senate Bill 1299. All those in favor should say 'aye'; all those opposed say 'no'. In the opinion of the Chair is the 'ayes' have it. And the Amendment is adopted. Further Amendments, Mr. Clerk?"
- Clerk Bolin: "No further Amendments. No Motions filed."
- Speaker Turner: "Third Reading. We have Senate Bill 1305.

  Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 1305, a Bill for an Act concerning government. Second Reading of this Senate Bill. Amendment

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- #1 was adopted in committee. No Floor Amendments. Several notes have been requested on the Bill as amended and have not been filed."
- Speaker Turner: "The Bill will remain on Second. Senate Bill 1317. Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 1317, a Bill for an Act concerning State Government. Second Reading of this Senate Bill. No Committee Amendments. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. We have Senate Bill 1327.

  Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 1327, a Bill for an Act concerning finance. Second Reading of this Senate Bill. Amendment #1 was adopted in committee. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. We have Senate Bill 1481.

  Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 1481, a Bill for an Act concerning public employee benefits. Second Reading of this Senate Bill. No Committee Amendments. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. We have Senate Bill 1311.

  Read the Bill, Mr. 1511. Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 1511, a Bill for an Act concerning finance. Second Reading of this Senate Bill. Amendment #1 was adopted in committee. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. We have Senate Bill 1617.

  Read the Bill, Mr. Clerk."

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- Clerk Bolin: "Senate Bill 1617, a Bill for an Act concerning conservation. Second Reading of this Senate Bill.

  Amendment #1 was adopted in committee. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. We have Senate Bill 1704.

  Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 1704, a Bill for an Act concerning alternative energy. Second Reading of this Senate Bill.

  No Committee Amendments. No Floor Amendments. No Motions filed."
- Speaker Turner: "Third Reading. On page 7 of the Calendar, we have Senate... Clerk, Rules Report."
- Clerk Bolin: "Representative Currie, Chairperson from the Committee on Rules, to which the following legislative measures and/or Joint Action Motion were referred, action taken on May 30, 2007, reported the same back with the following recommendation/s: 'direct floor consideration' for Amendment #2 to Senate Bill 241."
- Speaker Turner: "Mr. Clerk, read Senate Bill 241."
- Clerk Bolin: "Senate Bill 241 is on the Order of Senate Bills-Third Reading."
- Speaker Turner: "Move the Bill back to Second at the request of the Sponsor."
- Clerk Bolin: "Senate Bill 241, the Bill has been read a second time, previously. Amendment #1 was adopted in committee. Floor Amendment #2, offered by Representative Hannig, has been approved for consideration."
- Speaker Turner: "The Gentleman from Montgomery, Representative Hannig on Amendment #2."

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- Hannig: "Yes. Thank you, Mr. Speaker and Members of the House. This Amendment provides for additional moneys to CMS for the Workers Compensation Revolving Fund of eleven million, three hundred and ninety-eight thousand, one hundred dollars (\$11,398,100) and a hundred and fifty million dollars (\$150,000,000) in GRF for school construction grants. So, I'd move for the adoption of the Amendment."
- Speaker Turner: "Representative Hannig moves... The Gentleman from Kendall, Representative Cross, for what reason do you rise?"
- Cross: "Inquire or I have a couple questions of the Sponsor, Mr. Speaker."

Speaker Turner: "The Gentleman..."

Cross: "Representative Hannig, I... you... there are a list of twenty-two (22) or twenty-three (23) schools that adds up to a hundred and forty-eight million (148,000,000). Rochester Community Unit School District is owed ten million dollars (\$10,000,000), Fairfield Public School District 112, three million eight hundred and ninety-eight (3,898,000). Stewardson-Strasberg District 5A owed two million-plus (2,000,000). Johnson City Community School District, five hundred and twenty-eight thousand (528,000) and the list goes on and on. I can read it. It's not outlined in this Bill. How do we know... how do we know that the school districts that are owed this money from 2002, under a school construction grant entitlement program, are going to receive their money?"

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Hannig: "So, Representative, that's a very good question, that the State Board of Education, they have a system where they... they rank the schools. Okay?"

Cross: "I know that."

Hannig: "These are schools that have already been selected and for lack of only an appropriation they would have their money already. So these are the first schools that are in line for this appropriation and so under the… under the formula that's in place today…"

Cross: "These are actually... these are actually the schools that were promised money under a school construction bond program back in 2002 and never received their money. of them have made... made the improvements, some of them had passed referendums, some of them are waiting on the money. They're the twenty-two (22) or twenty-three (23) school districts that we committed to them they were going to get money and they never got it. So I think you and I are probably on the same page. I don't mean... my argument is not with you. My concern is, 'cause this is an important issue for Members on our side, I suspect on your side, that all you've said is there's a hundred and fifty thousand dollars (sic-million) (\$150,000) (sic-\$150,000,000) in here to be appropriated from General Revenue Fund and Capital Development Fund... Board for school construction. Given the climate right now in this state with the administration and others, how do we know that those twenty-two (22) school districts are going to get their money?"

Hannig: "Well, Representative, they're the next ones on the list, so if you... they can't skip to the bottom of the list.

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The state board is compelled by this... the statute to follow the rankings."

Cross: "Are... are you..."

Hannig: "I'm... I'm sorry. I guess I didn't... could you repeat your question?"

Cross: "The bottom line is, let's just cut to the chase. How does these schools districts know just because this supplemental passes that, 1) this language is going to pass the Senate, 2) the Governor is going to literally sign the Bill and then direct whatever appropriate state agency is to write checks to these twenty-two (22), twenty-three (23) school districts so they get their money in a... in a timely manner, hopefully the next couple weeks or the next month or the next six (6) weeks, whatever. How do we know and how can we tell them you are going to get your money once and for all?"

Hannig: "Well, Representative, I... I can't speak for the Governor or the Senate, unfortunately. All I can tell you is that those things that are within our control, which is this budget at this time and this Amendment, gives us the opportunity to put this money into the budget so that those schools can get paid. Now, could it get derailed in the Senate? Could the Governor veto it? I... I have no... no way of knowing that answer, Representative. I'm trying to be honest with you."

Cross: "I know you are and I think..."

Hannig: "What... what we can do is put the money in."

Cross: "All right. And again... and Gary, my... my frustration and it's not... it's not at you, please, I want you to

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understand, I appreciate this being in here. But... and you could understand our concern."

Hannig: "I understand, Representative, not just your concern, but I think anyone who has a school on this list."

Cross: "So, you're a Representative in here that might be willing to vote 'yes' and but... your... it's kind of a chance, you're taking a pretty big chance given the administration, they could veto this. They could say, 'wow, thanks for that hundred and fifty million (150,000,000). We might find other school districts the way this is written and send them money.'"

Hannig: "Well, no, I don't think they can do that, Representative. The way... the way the formula works they have to follow those schools that are... that are given the highest rank. And so these schools are... are the highest ranked schools because they've already been entitled to this money for a number of years. So, unless we would put some school district ahead of them by... by statute, which we're not doing in this Bill, unless we jump some other school district ahead, these are going to be the first ones."

Cross: "Like a Carterville School District, for instance."

Hannig: "Yes, so if we would..."

Cross: "The Governor... right."

Hannig: "...if we would... we could, we're not but we could, put a line in the budget that says to yeah some school district in Carlinville can get a hundred and fifty million dollars (\$150,000,000). They would then get ahead of these guys, in effect, but we're not doing this..."

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Cross: "It's Carter... I'm talking about last summer."

Hannig: "So what we're doing... what we are doing is giving these schools a chance by putting them into this supplemental appropriation and sending it back to the Senate. If we don't put it in, they have no chance."

Cross: "All right. What if... would it... would it be s... would it help if we make sure we read into the record these school districts that are due and owe their money. I mean, half the Chicago Public Schools get twenty-nine million (29,000,000)."

Hannig: "It certainly would be... It's certainly our legislative intent, Representative and if... and if you... you wish to read them in or have me read them in or the Clerk read them in, that would be fine."

Cross: "Do you have the list?"

Hannig: "Yes, we do, Representative."

Cross: "I got to tell you, at a minimum I think you need to read them in and the amount and that the intent of this Bill is that these school districts receive this money from the Governor as soon as possible. No one else gets it, he's got to take this one fifty (150)..."

Hannig: "Okay. So, Representative, I don't have the dollar amounts associated with each school. But I do have the schools in... in their ranking."

Cross: "Ma... Gary, maybe it's easier if we just submit this perhaps we submit this list into the... into the record through the Clerk. Let the Clerk read it in. It might be easier to do that, suggestion is that's better."

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Hannig: "And... and certainly, it's our legislative intent that the hundred and fifty million dollars (\$150,000,000) be used by law and according to the law to fund these school districts. I don't... I don't believe the state board has any other options, assuming that they would have the money."

Cross: "Why... Gary, okay, if we just have the Clerk read it into the record right now?"

Hannig: "Certainly."

Cross: "All right. Does the Clerk need a list? You send that list down?"

Hannig: "And... and Representative, I've been advised by some of my colleagues from the City of Chicago that under the school construction program, the 20 percent of the funding would always go to the City, then the rest would go..."

Cross: "I understand."

Hannig: "...according to a ranking."

Cross: "Right. We... we understand that."

Hannig: "And we just want to make sure that for the record, since we're spelling all of this out, we... we do intend that they get their fair share as well."

Cross: "Well, we wouldn't want them not to get their fair share. And I... and I the list I think so reflects that fair share. Why don't we take a second look..."

Speaker Turner: "Mr. Clerk, would you mind reading those names into the record."

Clerk Bolin: "FY2002 school construction grant entitlements.

Rochester Community Unit School District. Fairfield Public School District 112. Stewardson-Strasburg Community Unit

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District 5A. Johnston City Community Unit School District Winfield School District 34. East St. Louis School District 189. Silvis School District 34. Joliet Public School District. Community Consolidated School District 93. Hinckley-Big Rock Community Unit School District 429. West Northfield School District 31. DuQoin Community Unit School District 300. Benton Community Consolidated School District 47. Villa Park School District 45. Westchester School District 92%. Big Hollow School District 38. Madison Elementary School District 27. Central School District 104. Northbrook School District 27. Community Unit School District 5. Bradley School District Bethalto Community School District 8. Westmont Community Unit School District 201. Chicago Public Schools statutory 20 percent."

Speaker Turner: "Representative Cross."

Cross: "Gary, and I... again, I appreciate your side's consideration and... and sensitivity to our concerns. As you said, it affects you. If there is anything in addition that would help us ensure payment of... with... with the appropriate agency and the Governor's Office, we'd be glad to work with you on that, 'cause this obviously effects both sides of our aisle... of the aisle and more importantly it effects the school districts that are expecting this money. I, also, just for the record, would like to say to... on behalf of our side, Roger Eddy has been a strong proponent of pushing this for a number of years and I appreciate his persistence in that. Thank you."

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Speaker Turner: "The Gentleman from Vermilion, Representative Black, for what reason do you rise?"

Black: "Thank you very much, Mr. Speaker. Appreciate the opportunity to have the Clerk read these schools in the in the record. A quick question of the Sponsor, if I might."

Speaker Turner: "Indicates he will."

Black: "Gary, I've heard everything that you've been saying. I appreciate your work and your willingness to work with us. For the record, if I can get the guys in the middle aisle to separate here, Gentlemen in the middle aisle, so I can see Mr. Hannig, would you please. Gary, I think you've said what I have found to be the case over the years this is based on a ranking by the State Board of Education. There is a... a... these bills are due and in sometimes way past due. But we both know what happened when the Governor went down to a school district in the south and got all excited because they gave him such a warm welcome and he said, 'Well I'm going to move you up to the top of the list.' Well, they... they're not on the top of the list, but I think you've given every conceivable assurance you can to these school districts and their taxpayers who, in some cases, have had to bear the costs of selling bonds to pay off a debt that we promised we would pay. I think you've done everything you can. I would like to say if you agree and if... if I'm saying something wrong tell me. I think we've done everything we can do. This now becomes a management issue and if these schools do not get their money, I think we know who to hold responsible. I think the taxpayers know who to hold responsible and I think the

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message to the Governor is, this is your agency, they have appropriated. These grants or asked for this appropriation, these schools qualify for these grants and by golly, you will be held responsible for seeing to it that those grants are awarded in the their grant order. It's a management issue and we know who to hold responsible if that isn't done. Would you agree that that's a fair statement?"

Hannig: Well, Representative, I would just say we got to get the Bill past the Senate, too."

Black: "I agree with you. And I hope we do. But if..."

Hannig: "But if we can... yes."

Speaker Turner: "The Lady from Kankakee, Representative Dugan, for what reason do you rise?"

Dugan: "Yes. Will the Sponsor yield?"

Speaker Turner: "He indicates he will."

Dugan: "Representative, the twenty-three (23) schools or twenty-four (24) schools, they're the ones in the Capital Development Board that have been they have been entitled. Correct? They've reached the level of entitlement. Correct?"

Hannig: "That's correct, Representative."

Dugan: "Correct? And so as school construction funding money comes in, I agree with... with my colleagues on the other side, this is something that's very important to many of us in our school districts that have been waiting since 2002. So since they are entitled, I, too, also want to make sure that we believe that means that the entitled projects are going to get their money and I just want to say too as... as

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my other colleagues that have schools on this list that have been waiting, I think we have to make sure that the Governor does understand and again if we pass it in the Senate, but then the Governor does understand that it is definitely our intent in the House of Representatives to make sure that the twenty-three (23) schools that have been waiting since 2002 are entitled to this money and we expect it to be paid. So I just wanted to say thank you for making sure that we did have this in there and... and we will send a strong message to the Governor to make sure he does understand where that money is supposed to go. Thank you."

Speaker Turner: "Representative Hannig to close."

Hannig: "I would just ask for the adoption of the Amendment."

Speaker Turner: "Representative Hannig moves for the adoption of Amendment #2 to House Bill... Senate Bill 241. All those in favor should say 'aye'; all those opposed say 'no'. In the opinion of the Chair, the 'ayes' have it. And the Amendment's adopted. Further Amendments?"

Clerk Bolin: "No further Amendments. No Motions filed."

Speaker Turner: "Third Reading. Mr. Clerk, read Senate Bill 241."

Clerk Bolin: "Senate Bill 241, a Bill for an Act concerning appropriations. Third Reading of this Senate Bill."

Speaker Turner: "The Gentleman from Montgomery, Representative Hannig."

Hannig: "Yes. Thank you, Mr. Speaker and Members of the House.

In addition to what we just added in that last Amendment for school construction, this also has the appropriation for the line of duty awards and it has some other items

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- that I... that I... the hospital assessment, those are the two (2) big pieces that are in there along with any number of smaller items that I'd be happy to answer any questions on. So this is the supplemental and I'd ask for your 'yes' vote."
- Speaker Turner: "Seeing no questions, the question is, 'Shall the House pass Senate Bill 241?' All those in favor should vote 'aye'; all those opposed vote 'no'. The voting is now open. Have all voted who wish? Have all voted who wish? The Clerk shall take the record. On this question, there are 62 voting 'aye', 54 voting 'no', 0 'presents'. And this Bill, having received the Constitutional Majority, is hereby declared passed. Representative McCarthy, would you come to the podium. Mr. Clerk, on page 16 of the Calendar, we have Senate Bill 435. Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 435, a Bill for an Act concerning transportation. The Bill has been read a second time, previously. Amendment #1 was adopted in committee. Floor Amendments 3 and 4 have been approved for consideration. Floor Amendment #3 is offered by Representative McCarthy."
- Speaker Turner: "Gentleman from Cook, Representative McCarthy on Amendment #3."
- McCarthy: "Thank you, Mr. Speaker and Ladies and Gentlemen of the House. Senate Bill 435 creates the Illinois Commercial Safety Towing Law by adding Chapter 18(d) to the Illinois Vehicle Code. This basically is a disclosure Bill to address the problem in some of the counties up in the northeast part of the state where some towers were taking advantage of a lot of the local residents because of the

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fact that the Bill as it came out of the Senate would have been bothered by a federal preemption about setting rates for towers. We've made this into a complete disclosure With the help of some of the Members on the Judiciary Committee, we were able to amend the Bill so that today we passed it out of the committee unanimously. So, I think it's a nice move for the citizens of our state that they can get some protection when they are in a position where they need to have their car towed and they won't be abused by some of these towers who don't do it the right way. The vast majority do do it the right way, but there are a few bad apples out there and this will be a way of controlling them. So I'd appreciate you adopting Amendment #3 and we also have an Amendment #4, which is a very clerical Amendment that was also approved for consideration."

- Speaker Turner: "Seeing no questions, the question is, 'Shall the House adopt Amendment #3 to Senate Bill 435?' All those in favor should say 'aye'; all those opposed say 'no'. In the opinion of the Chair is the 'ayes', have it. And the Amendment's adopted. Further Amendments?"
- Clerk Bolin: "Floor Amendment #4, offered by Representative McCarthy."
- Speaker Turner: "The Gentleman from Cook, Representative McCarthy on Amendment #4."
- McCarthy: "Thank you, Mr. Speaker. There was a mistake on page 18 of the Bill, and it basically takes three (3) words out and replaces them with 'commercial vehicle safety

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- relocator'. So a very technical Amendment and I'd appreciate the adoption."
- Speaker Turner: "Seeing no questions, the question is, 'Shall the House adopt Amendment #4 to Senate Bill 435?' All those in favor say 'aye'; all those opposed say 'no'. In the opinion of the Chair, the 'ayes' have it. And the Amendment is adopted. Further Amendments?"
- Clerk Bolin: "No further Amendments. No Motions filed."
- Speaker Turner: "Third Reading. Mr. Clerk, read Senate Bill 435."
- Clerk Bolin: "Senate Bill 435, a Bill for an Act concerning transportation. Third Reading of this Senate Bill."
- Speaker Turner: "The Gentleman from Cook, Representative McCarthy on Senate Bill 435."
- McCarthy: "Thank you, Mr. Speaker, Ladies and Gentlemen of the House. I did give a short description under Amendment #3 and I'd be willing to answer any questions. I do want to say that because this is added in the Vehicle Code under Chapter 18, that, as of today, it would only affect Cook, Will, DuPage, Winnebago and I don't have the fifth county, but it only affects those counties that are under Chapter 18 of the Vehicle Code. And I'd appreciate the passage."
- Speaker Turner: "The Gentleman from Vermilion, Representative Black, for what reason do you rise?"
- Black: "Thank you, Mr. Speaker. Will the Sponsor yield?"
- Speaker Turner: "Indicates he will."
- Black: "Representative, at one time the Bill was going to grant the Illinois Commerce Commission authority over the fees, as I recall, and the Attorney General had raised some

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objections to that, legal objections. Who now will be in charge of the fee structure that the towers will have to pay?"

McCarthy: "Under the... the safety relocators will not be under a fee structure imposed by the Commerce Commission. When this Bill came out of the Senate unanimously it was pretty much agreed upon, after that, that the... the way the Senate passed it would go against a federal preemption. The Attorney General's Office has given us some findings that they say could in the future lead us to allow the Commerce Commission to set these rates. But I wanted to get these protections in there for our consumers and I said we'll go forward with it as a disclosure Bill this year. We may come back at sometime in the later to try and give the Commerce Commission the ability to set those rates."

Black: "All right. I see my mistake. In other words, you've taken out the seven dollar and fifty cent (\$7.50) fee that these towing companies used to have to get each time they would make a tow."

McCarthy: "Right. Originally, the Commerce Commission... We we're going to make it a license instead of just a registration certificate. If it was a license, because of the more extensive cost and background checks and stuff like that, they said they would have needed that seven fifty (\$7.50). Where we made it just a registration certificate, we took out that extra seven fifty (\$7.50)."

Black: "And I'm going to assume that then limitations on storage charges, towing fees, all of the things that we've heard some much about over the years..."

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- McCarthy: "Well, the limitations are basically in the disclosure. If a person would still be foolish enough to accept rates that were outlandish, you know, we can't legislate, intelligence, unfortunately."
- Black: "I know Sangamon County... the Village of Springfield, boy, I've been here too long... the City Springfield a lot of... I don't know some festival and a lot of cars were towed and there were a lot of people upset. I think Springfield's handled that by an ordinance. Refresh my memory. Are those the kind of things we're trying to get corrected in this Bill or is it not that specific?"
- McCarthy: "It really isn't. These are for tows off of public thoroughfares. So, those were private lots and those are actually the ones regulated up in the five (5) counties."
- Black: "Okay. All right. Yeah. All right. I remember it.

  Thank you very much, Representative."
- McCarthy: "Thank you, Representative."
- Speaker Turner: "The Gentleman from Cook, Representative Joyce, for what reason do you rise? Representative McCarthy to close."
- McCarthy: "Thank you, Mr. Speaker. I appreciate the questions and I'd appreciate your support. I think this is a good step forward. I do want to thank a lot of the Members on the committee who helped me, also the lovely young lady from the State Farm Insurance Company who was very, very supportive in this Bill and has been very instrumental in many of the agreements that we've gotten and helped me on the other side of the aisle with many votes in committee.

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- So, I always appreciate her help so... But I'd appreciate a favorable vote on Senate Bill 435."
- Speaker Turner: "So, the question is, 'Shall the House pass Senate Bill 435?' All those in favor should vote 'aye'; all those opposed vote 'no'. The voting is now open. Have all voted who wish? Have all voted who wish? The Clerk shall take the record. On this question, there are 115 voting 'aye', 1 voting 'no', 0 'presents'. And this Bill, having received the Constitutional Majority, is hereby declared passed. Representative Lyons in the Chair."
- Speaker Lyons: "Mr. Clerk, on page 7 of the Calendar,
  Representative Hannig has Senate Bill 182. Read the Bill,
  Mr. Clerk."
- Clerk Bolin: "Senate Bill 182 is on the Order of Senate Bills-Third Reading."
- Speaker Lyons: "At the request of the Sponsor, move that Bill to Second Reading."
- Clerk Bolin: "Senate Bill 182, the Bill has been read a second time, previously. No Committee Amendments. Floor Amendment #1, offered by Representative Hannig, has been approved for consideration."
- Speaker Lyons: "The Chair recognizes the Gentleman from Montgomery, Representative Gary Hannig."
- Hannig: "Yes. Thank you, Mr. Speaker and Members of the House.

  This is the budget implementation Bill for finance. I'd ask that we adopt the Amendment and I'll be happy to talk more about it on Third Reading so..."
- Speaker Lyons: "Representative Hannig has moved for the adoption of the Amendment. Is there any questions? Seeing

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none, the question is, 'Should the Amendment be adopted?'
All those in favor signify by saying 'aye'; those opposed
say 'no'. In the opinion of the Chair, the 'ayes' have it.
And the Amendment is adopted. Anything further, Mr.
Clerk?"

Clerk Bolin: "No further Amendments. No Motions filed."

Speaker Lyons: "Third Reading. Read the Bill, Mr. Clerk."

Clerk Bolin: "Senate Bill 182, a Bill for an Act concerning

finance. Third Reading of this Senate Bill."

Speaker Lyons: "Representative Hannig."

Hannig: "Yes. Thank you, Mr. Speaker and Members of the House. As part of a spending... or an overall budget Bill... as part of an overall budget plan, it's... it's important that we pass, not only the spending Bill, the appropriation Bill, but the budget implementation Bills as well. This is the Bill that we need to pass that works in conjunction with spending Bill in the area of finance. our And particularly, this Bill deals, for example, with changes in the 718 Fund, it deals with the 'I-Fly-Fund'. There's some changes for OSLAD that need to be made so that the budget will work, some GRF transfers in the Workers' Compensation Revolving Fund and the Illinois State Police road cap. Traditionally we have to work to suspend that and some transfers for the Illinois Civic Center Funds. These are all things that we do each year in some fashion in order to ensure that the budget will work. So rather than name all the items on... in the 'bimp', I will be happy to answer any questions."

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- Speaker Lyons: "Is there any discussion on Senate Bill 182?

  The Chair recognizes the Lady from Cook, Representative Rosemary Mulligan."
- Mulligan: "I'm just deciding if this is just a wonderful Bill and I don't want to ask any questions."
- Speaker Lyons: "That's a wonderful idea, Representative. Thank you very much. Anyone else seeking recognition? Seeing none, Representative Hannig to close."
- Hannig: "Well, thank you, Mr. Speaker, Members of the House.

  I'd just ask for your 'yes' vote."
- Speaker Lyons: "The question is, 'Should Senate Bill 182 pass?'
  All those in favor signify by voting 'yes'; those opposed vote 'no'. The voting is open. Have all voted who wish?
  Have all voted who wish? Have all voted who wish? Mr. Clerk, take the record. On this Bill, there are 64 Members voting 'yes', 52 voting 'no'. This Bill, having received the Constitutional Majority, is hereby declared passed.
  Mr. Clerk, on page 13 of the Calendar is Senate Bill 1580.
  What's the status of the Bill, Mr. Clerk? 1580, 1580."
- Clerk Bolin: "Senate Bill 1580 is on the Order of Senate Bills-Third Reading."
- Speaker Lyons: "Bring that Bill back to the Order of Second Reading for purpose of the Amendment."
- Clerk Bolin: "Senate Bill 1580, a Bill for an Act concerning public health. The Bill has been read a second time, previously. No Committee Amendments. Floor Amendment #1, offered by Representative Hannig, has been approved for consideration."

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Speaker Lyons: "The Chair recognizes the Gentleman from Montgomery, Representative Gary Hannig."

Hannig: "Yes. Thank you, Mr. Speaker and Members of the House. Again, this is the budget implementation for Human Services. The Amendment includes two (2) items; one is the emergency rulemaking procedure that we typically and traditionally include in a 'bimp' Bill and the other one is the rate freeze for nursing homes, which again we include in the 'bimp' Bill and that's also because we're going to a new funding mechanism, and there was money in the budget that we passed to fund nursing homes' increases. So, I'd ask for the adoption of the Amendment."

Speaker Lyons: "The Chair recognizes the Gentleman from Vermilion, Representative Bill Black."

Black: "Thank you, Mr. Speaker. Will the Sponsor yield?" Speaker Lyons: "Indicates he will."

Black: "Representative, again, but I'm a Cub fan, so I think every year will be better. Well, this year even before June gets here it looks like we're already out of it, but I keep hoping. And I keep hoping the budget process will get better and I know you want it to and I know most of us want it to. We haven't had time to look at these 'bimp' Bills. We have some basic trust in you, but this does the Human Services budget. And I don't mean to beat a dead horse, Representative Molaro Bills does things with dead horses, not me. But I'm going to assume that somewhere in the budget implementation Bill for Human Services that your staff has eliminated some administrative costs for eighty thousand dollar (\$80,000) chauffeurs. I hope that's done."

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- Hannig: "If we could do it in a 'bimp' Bill we would, Representative."
- Black: "There has to be some way to do it, and again I know we're back to a management problem. But I've personally found that in tight budget times when we're not able to do things we need to do for some of our most vulnerable citizens... and to defend it, to defend the indefensible, you know, I know what I'd do if I were in a management situation, the chauffeurs would be looking for jobs, but so would the department directors. That's an outrage and I hope we can clear it up somehow between now and the implementation of this budget. That is an outrage and it shouldn't be condoned."
- Speaker Lyons: "The Chair recognizes the Lady from Cook, Representative Mulligan."
- Mulligan: "Thank you, Mr. Speaker. As overjoyed as I was by parts of the last Bill, I'm... don't know if I'm encouraged by this one or not. Representative Hannig... or would the Sponsor yield?"
- Speaker Lyons: "He indicates he will."
- Mulligan: "Representative Hannig, there seems to be some duplicate language in this one from the last one. Could you tell me the difference in the money going to the 718 Fund as from this language that appears to be here or... I pulled it up engrossed, but of course, we didn't see this soon enough to really analyze it."
- Hannig: "I'm advised, Representative, and the staff's double-checking, that the only two (2) items that we have are them the routine language that we put in here for the emergency

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- rulemaking and then the existing freeze language that we have for the… the Medicaid nursing homes as they transition into the new… the payments."
- Mulligan: "So, just for the record, could you give me a brief rundown what this actually does?"
- Hannig: "So actually, we're just on the Amendment now and that's what the Amendment does, Representative. Then the underlying Bill, I think, deals with... with hemophilia care and advisory review board."
- Mulligan: "So, is this a legitimate 'bimp' Bill that you actually need to implement the budget, or is this a Bill you're sending over to the Senate for some reason?"
- Hannig: "No, this is a budget Bill that would allow our budget that we just passed to work... as we always have to do, we pass a 'bimp' Bill... you know, we do pass a spending Bill and then we pass some of these substantive Bills that allow the budget to work. So, this is... these are... these are items that we typically do, Representative. They're not new and they're not... I don't think they're controversial."
- Mulligan: "Representative, I'd like to take you at your word. The problem I have with this whole process is it really isn't fair to someone that's spent as much time as I have doing this to see this Bill as it comes to the floor, try and scroll through it, try and ask you the right questions to hope that the people that I represent, the people that you represent, aren't being done a disservice by what we're doing here tonight. I hope that's the case, I don't know if it is or not. But since we don't know, we probably won't vote for it again which is too bad, because sometime

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in this process in the last couple years we'd like to come together because there are a lot of smart people on both sides of the aisle that should be solving problems rather than playing these asinine games."

Speaker Lyons: "The Chair recognizes the Gentleman from Jasper, Representative David Reis."

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

Speaker Lyons: "Indicates he will."

"Representative, I've been sitting here all night and listening to the debate and all of us... all of us read the publication that comes across our machines every day and I'm trusting that the author knows what he's saying. were saying that no meetings have taken place on budget, you didn't have the normal weekend that you worked on this stuff. Why are we passing all of this stuff and no one knows what's in it? It just befouls me tonight that we haven't had any appropriation hearings on this. We don't know what's in these Bills. We've had a couple of hours to look at it on both sides of the aisle. We have already done a three hundred million dollar (\$300,000,000) tax increase. We've done a budget Bill. We've done a supplemental, two (2) 'bimp' Bills, all in one evening. And I hope there's still some reporters here tonight, if nothing else, you report what took place here today. Agree or disagree on the numbers that are in these Bills, the people of this state should be sickened at what happened here this evening, absolutely sickened. There is no more information out here that we all understand than a man on the moon. And we're here at 1:00 in the morning, and I'll

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stay all night, that's fine, but we haven't had time to look at this stuff and we just go through everything. So, I hope you will report to the people of the State of Illinois how little effort goes into a fifty-eight plus billion dollar (\$58,000,000,000) budget. We had a Representative come into Education Committee this year, four (4) weeks in a row, to talk about a Bill. We discussed it and hashed it back and forth, gave it its due time and we're going to do all this in one evening. So, I hope you report to the people of Illinois what happened here today. They need to know."

Speaker Lyons: "The question is, 'Should Amendment #1 be adopted to Senate Bill 1580?' All those in favor signify by saying 'yes'; those opposed say 'no'. In the opinion of the Chair, the 'ayes' have it. And the Amendment is adopted. Any further Amendments, Mr. Clerk?"

Clerk Bolin: "No further Amendments. No Motions filed."

Speaker Lyons: "Third Reading. Read the Bill, Mr. Clerk."

Clerk Bolin: "Senate Bill 1580, a Bill for an Act concerning public health. Third Reading of this Senate Bill."

Speaker Lyons: "Representative Hannig."

Hannig: "Yes. Thank you, Mr. Speaker and Members of the House.

The Bill as amended does what I just talked about, the rulemaking, the freeze, and then it also amends the Hemophilia Care Act and replaces the advisory committee with a new independent seven-member review board. So that's what the Bill does. I'd ask for your 'yes' vote."

Speaker Lyons: "The question is, 'Should Senate Bill 1580 pass?' All those in favor signify by voting 'yes'; those

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- opposed vote 'no'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, take the record. On this Bill, there are 64 Members voting 'yes', 52 voting 'no'. This Bill, having received the Constitutional Majority, is hereby declared passed. Mr. Clerk, on page 9 of the Calendar, under Senate Bills-Third Reading, on the bottom of the page, Representative Bassi has Senate Bill 1201. Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 1201 is on the Order of Senate Bills-Third Reading."
- Speaker Lyons: "The Chair recognizes the Lady from Cook, Representative Suzie Bassi."
- Bassi: "Thank you, Mr. Speaker. Could you move the Bill back to Second for an... purposes of an Amendment?"
- Speaker Lyons: "Clerk, move that Bill back to the Order of Second Reading at the request of the Sponsor."
- Clerk Bolin: "Senate Bill 1201, a Bill for an Act concerning local government. The Bill has been read a second time, previously. Amendment #1 was adopted in committee. Floor Amendment #2, offered by Representative Bassi, has been approved for consideration."
- Speaker Lyond: "Representative Bassi."
- Bassi: "In the interest of time, I would like to move the adoption of the Amendment and I will explain it and we can talk about it on Third."
- Speaker Lyons: "Excuse me, Representative, I didn't hear your request."

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- Bassi: "I'd move adoption for the Amendment and we... I can explain it on Third... we can discuss it on Third. No?"
- Speaker Lyons: "Representative Bassi moves the adoption of the Amendment. All those in favor signify by saying 'yes'; those opposed vote 'no'. In the opinion of the Chair, the 'ayes' have it. And the Amendment is adopted. Anything further, Mr. Clerk?"
- Clerk Bolin: "No further Amendments have been approved for consideration. No Motions filed."
- Speaker Lyons: "Third Reading. Read the Bill, Mr. Clerk."
- Clerk Bolin: "Senate Bill 1201, a Bill for an Act concerning local government. Third Reading of this Senate Bill."
- Speaker Lyons: "The Chair recognizes Representative Suzie Bassi."
- Bassi: "Thank you, Mr. Speaker. Ladies and Gentlemen of the House, this is the Bill that we passed unani... this is the furtherance of the Bill that we passed unanimously two (2) years ago that combined the... NIPC a CATS organization. CATS is the Chicago Area Transportation Study, NIPC is the Northeast Illinois Planning Commission. One did transportation planning, the other one did land planning and they have combined... this is the furtherance that we need to use to move this Bill... to move this organization forward. It does not affect in any way, shape, or form, local planning. It does ensure that transportation planning and investment decision-making is fully integrated into regional planning process. creates a new committee with responsibility of recommending policies to the wastewater. It creates the Comprehensive

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Regional Planning Fund which is five million dollars (\$5,000,000) in fund from the GRF, 75 percent of which goes to CMAP. This changes the name of the organization from the Regional Planning Authority to CMAP. It repeals the NIPC, it takes care of the Pension Code. The first 20 pages of the Bill involve the Pension Code, allows them to decide whether they want the IMRF or the State Employee Retirement System. That decision needs to be made this year and it sets up the regional comprehensive planning. And I'm... stand ready to answer any questions."

Speaker Lyons: "The Chair recognizes the Gentleman from Madison, Representative Jay Hoffman."

Hoffman: "Yes. Will the Sponsor yield?"

Speaker Lyons: "Indicates she will."

Hoffman: "Representative, I believe that there was an Amendment that was filed that was on Second Reading that would allow for representation of five (5) members from the state that would be appointed by the Governor on the CMAP Board. Was that adopted to the Bill?"

Bassi: "No, it was not. It was not released from Rules."

Hoffman: "And would you be willing to take the Bill back to Second, have that adopted so we could pass... get at least some representation from the state?"

Bassi: "Not at this time, Representative. It took a year and a half to come to consensus for the makeup of the board as it stands right now and this late in the Session I'm not in a position to be able to move the Bill back."

Hoffman: "Well, I would... I would suggest that you talk to the...
the Leaders. I don't think Session's going to end

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tomorrow, just a.m. just a word to the wise over here, but... a bird told me that."

Bassi: "I'll be glad to take that under advisement."

Hoffman: "Well, let me just tell you... and I supported the formation of this board."

Bassi: "Mmm mmm."

Hoffman: "But my concern is when it was formed there was no state representation on the board and I believe on August 5, that it was signed into law, there was an audit that was done of this board. March of '06, seventy... seven hundred and seventy-five thousand dollars (\$775,000) was given, of state money, to this board. The audit found that two hundred and thirteen thousand (213,000) of that misspent. It's my understanding that the EPA is given three hundred thirty-two thousand dollars (\$332,000) of state money, DNR five hundred and sixty-five thousand dollars (\$565,000) of more state money and now we're asking for five million dollars (\$5,000,000) in more state money with no state oversight on the board. All I'm saying is if we're going to give our state money to your cause, which I think is a laudable one, a good one, I believe in the regional planning concept, I supported it. We have a... We have an obligation to our taxpayers to at least have some state people on the board to avoid these misspendatures. I don't believe we should pass this Bill without those people on the board of oversight. We don't want to take over the board, we just want a equal number of people on the board. I would just ask that you put the Amendment on. If you don't put the Amendment on I would ask, especially

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downstaters... especially downstaters, rather than we spending our state money for your causes without any oversight or accountability, that we respectfully vote 'no'."

Bassi: "With all due respect, Representative, the audit that you are referencing is one that came into existence prior to the full implementation of the CMAP board and as to the downstaters, a good percentage of the money of that five million dollars (\$5,000,000) will actually be going to the Metropolitan Planning Organizations in the rest of the state and 5 percent to the state's rural planning agencies. So it would be a disservice to your downstate comrades not to support this Bill. The... the moneys that we will be putting in there, some of which has already be afforded by the state for the implementation of the C... of the CATS committee, this is to employ regional planning for the entire state, but also to make sure that we do not lose the federal funding that comes through the Metropolitan Planning Organization."

Hoffman: "Again, I'm not against the mission."

Bassi: "No, you had said... actually you had told me that you would be in favor of this if IDOT was... was okay with it, which they are."

Hoffman: "This is their Amendment. I didn't cook up the Amendment, IDOT came up with the Amendment. IDOT is not okay with this, because they want to… they don't want money to be given to your organization that's used for cocktail parties, that's used to buy gourmet coffee, that's used for

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restaurant visits for the people when this is supposed to be a cost-saving measure."

Bassi: "Yes."

Hoffman: "All we want is accountability, all we want's a say on the board. I, respectfully, without that Amendment, I'm going to vote 'no'."

Bassi: "Okay."

Speaker Lyons: "Representative Bassi to close."

Bassi: "This is a marvelous organization, it passed unanimously. The original implanation... the original implementation of the Bill passed unanimously two (2) years ago. It has bipartisan support. And I would ask for any 'aye' vote."

Speaker Lyons: "The question is, 'Should Senate Bill 1201 pass?' All those in favor signify by voting 'yes'; those opposed vote 'no'. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Representative May, Representative Molaro. Mr. Clerk, take the record. On this Bill, there are 93 Members voting 'yes', 20 voting 'no', 3 voting 'present'. This Bill, having received the Constitutional Majority, is hereby declared passed. Representative Currie for a Motion."

Currie: "Thank you, Speaker. I move that the posting requirements be suspended so that the following measures could be heard in their appropriate substantive committees. Senate Bill 17 in Revenue, Senate Bill 485 in Insurance, Senate Bill 796 in Revenue, Senate Bill 833 in Local Government, Senate Bill 873 in Insurance, Senate Bill 929 in Human Services, Senate Bill 1011 in Executive, House

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Joint Resolution 70 in State Government, Senate Joint Resolution 47 in Transportation."

Speaker Lyons: "Representative Black. You've heard the Lady's Motion. The Motion leaves waive of the posting for the following Bills. All those in favor signify by saying 'yes'; those opposed vote 'no'. The Motion passes. Ladies and Gentlemen, if I could have your attention for just a moment. We're going to accept the Motion by Representative Currie to adjourn for the... for the day, but we are going to go right back into Session for Thursday, so don't anybody go anywhere. Representative Currie moves that the House stand adjourned until Thursday, May 31, at the hour of 12:30 a.m. All those in favor signify by saying 'yes'; those opposed say 'no'. In the opinion of the Chair, the 'ayes' have it. And the House stands adjourned."