



# **SENATE JOURNAL**

**STATE OF ILLINOIS**

**NINETY-THIRD GENERAL ASSEMBLY**

**100TH LEGISLATIVE DAY**

**THURSDAY, APRIL 22, 2004**

**12:00 O'CLOCK NOON**

**SENATE**  
**Daily Journal Index**  
**100th Legislative Day**

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The Senate met pursuant to adjournment.

Senator James DeLeo, Chicago, Illinois presiding.

Prayer by Apostle Carl L. White, Jr., Victory Christian Assembly Church, Markham, Illinois.

Senator Link led the Senate in the Pledge of Allegiance.

The Journal of Wednesday, April 21, 2004, was being read when on motion of Senator Haine, further reading of same was dispensed with and unless some Senator had corrections to offer, the Journal would stand approved. No corrections being offered, the Journal was ordered to stand approved.

### LEGISLATIVE MEASURES FILED

The following Committee amendments to the House Bills listed below have been filed with the Secretary, and referred to the Committee on Rules:

Senate Committee Amendment No. 1 to House Bill 378  
 Senate Committee Amendment No. 1 to House Bill 3918  
 Senate Committee Amendment No. 1 to House Bill 4099  
 Senate Committee Amendment No. 1 to House Bill 5094

The following Floor amendments to the House Bills listed below have been filed with the Secretary, and referred to the Committee on Rules:

Senate Floor Amendment No. 2 to House Bill 742  
 Senate Floor Amendment No. 3 to House Bill 4371  
 Senate Floor Amendment No. 1 to House Bill 4481  
 Senate Floor Amendment No. 1 to House Bill 5732

### PRESENTATION OF RESOLUTION

#### SENATE RESOLUTION 506

Offered by Senator Rinsinger and all Senators:

Mourns the death of Virgil Anderson of Princeton.

By unanimous consent, the foregoing resolution was referred to the Resolutions Consent Calendar.

### REPORTS FROM STANDING COMMITTEES

Senator Schoenberg, Chairperson of the Committee on State Government, to which was referred **House Bills numbered 4361, 4372, 4621, 4651, 4840, 5023, 5165 and 5207**, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Link, Chairperson of the Committee on Revenue, to which was referred **House Bills numbered 4076, 4106, 4263, 4285, 4351, 4400, 4461, 4887, 4914, 5014, 5732, 6583, 6760 and 6806**, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Link, Chairperson of the Committee on Revenue, to which was referred **House Bill No. 4705**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

Under the rules, the bill was ordered to a second reading.

Senator Ronen, Chairperson of the Committee on Labor and Commerce, to which was referred **House Bills numbered 4374, 4660 and 4712**, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

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Senator Lightford, Chairperson of the Committee on Financial Institutions, to which was referred **House Bills numbered 4495 and 5197**, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Lightford, Chairperson of the Committee on Financial Institutions, to which was referred **House Bill No. 6740**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

Under the rules, the bill was ordered to a second reading.

Senators Cullerton and Dillard, Co-Chairpersons of the Committee on Judiciary, to which was referred **House Bills numbered 307, 3893, 3978, 4023, 4025, 4027, 4288, 4310, 4370, 4389, 4395, 4424, 4506, 4566, 4777, 4962, 4966, 5061 and 6902**, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senators Cullerton and Dillard, Co-Chairpersons of the Committee on Judiciary, to which was referred **House Bill No. 4318**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

Under the rules, the bill was ordered to a second reading.

#### **READING BILLS FROM THE HOUSE OF REPRESENTATIVES A FIRST TIME**

**House Bill No. 4958**, sponsored by Senator Crotty, was taken up, read by title a first time and referred to the Committee on Rules.

**House Bill No. 6747**, sponsored by Senator Haine, was taken up, read by title a first time and referred to the Committee on Rules.

#### **MESSAGE FROM THE GOVERNOR**

Message for the Governor by Joseph B. Handley  
Deputy Chief of Staff for Legislative Affairs

April 22, 2004

Mr. President,

The Governor directs me to lay before the Senate the following Message:

#### **STATE OF ILLINOIS EXECUTIVE DEPARTMENT**

To the Honorable  
Members of the Senate  
Ninety-Third General Assembly

I have withdrawn the nomination of the following named person to the office enumerated below and respectfully ask acknowledgement of this withdrawal to be officially reflected in the record of your Honorable body.

#### **EMPLOYMENT SECURITY REVIEW BOARD, DEPARTMENT OF**

To be withdrawn as Member of the Department of Employment Security Review Board effective upon his resignation dated February 1, 2004:

[April 22, 2004]

John T. Coli of Vernon Hills  
Salaried

FIRE MARSHAL, STATE

To be withdrawn as State Fire Marshal effective upon his resignation dated April 5, 2004:

Peter F. Vina of Maywood  
Salaried

Rod Blagojevich  
GOVERNOR

Message for the Governor by Joseph B. Handley  
Deputy Chief of Staff for Legislative Affairs

April 22, 2004

Mr. President,

The Governor directs me to lay before the Senate the following Message:

STATE OF ILLINOIS  
EXECUTIVE DEPARTMENT

To the Honorable  
Members of the Senate  
Ninety-Third General Assembly

I have nominated and appointed the following named persons to the offices enumerated below and respectfully ask concurrence in and confirmation of these appointments of your Honorable body.

FIRE MARSHAL, STATE

To be the State Fire Marshal for a term commencing April 12, 2004 and ending January 17, 2005:

James T. Somer of Salem  
Salaried

HUMAN RIGHTS COMMISSION

To be a Member of the Human Rights Commission for a term commencing April 5, 2004 and ending January 15, 2007:

Yonnie Rita Stroger of Chicago  
Salaried

INDUSTRIAL COMMISSION, ILLINOIS

To be a Member of the Illinois Industrial Commission for a term commencing April 19, 2004 and ending January 15, 2007:

Susan O. Pigott of Winnetka  
Salaried

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PRISONER REVIEW BOARD

To be a Member of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 19, 2009:

Eric W. Althoff of Effingham  
Salaried

To be a Member of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 17, 2005:

James R. Donahue of Pekin  
Salaried

To be a Member of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 15, 2007:

Robert L. Dunne of Oak Lawn  
Salaried

To be a Member of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 17, 2005:

Craig Findley of Jacksonville  
Salaried

To be a Member of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 15, 2007:

Andrew P. Fox of Chicago  
Salaried

To be a Member of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 19, 2009:

David Frier of Springfield  
Salaried

To be a Member of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 19, 2009:

Barbara M. Hubbard of Caseyville  
Salaried

To be a Member of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 15, 2007:

Thomas L. Johnson of West Chicago  
Salaried

To be a Member of the Prisoner Review Board for a term commencing June 1, 2004 and ending January 15, 2007:

Jesse D. Madison of Chicago  
Salaried

[April 22, 2004]

To be a Member of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 17, 2005:

Milton A. Maxwell of Carbondale  
Salaried

To be a Member of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 17, 2005:

Nancy L. Bridges-Mickelson of Golconda  
Salaried

To be a Member and Chair of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 19, 2009:

Jorge Montes of Chicago  
Salaried

To be a Member of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 17, 2005:

John W. Stenson of Peoria  
Salaried

To be a Member of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 15, 2007:

Norman M. Sula of Naperville  
Salaried

To be a Member of the Prisoner Review Board for a term commencing May 1, 2004 and ending January 19, 2009:

Geraldine E. Tyler of Olympia Fields  
Salaried

#### BANKING BOARD, ILLINOIS

To be a Member of the Illinois Banking Board for a term commencing April 5, 2004 and ending December 31, 2004:

Philip D. Cacciatore of Elmhurst  
Non-Salaried

#### COMMUNITY COLLEGE BOARD, ILLINOIS

To be a Member of the Illinois Community College Board for a term commencing April 5, 2004 and ending June 30, 2009:

Marikay Hegarty of Chicago  
Non-Salaried

#### GUARDIANSHIP AND ADVOCACY COMMISSION

To be a Member of the Guardianship and Advocacy Commission for a term commencing April 19, 2004 and ending June 30, 2006:

M. Jeanne Dolphus Cotton of Vernon Hills  
Non-Salaried

To be a Member of the Guardianship and Advocacy Commission for a term commencing April 2, 2004 and ending June 30, 2005:

Senator Don Harmon of Oak Park  
Non-Salaried

HEALTH FACILITIES PLANNING BOARD

To be a Member of the Health Facilities Planning Board for a term commencing April 8, 2004 and ending July 1, 2005:

Pamela Orr of Chicago  
Non-Salaried

To be a Member of the Health Facilities Planning Board for a term commencing April 19, 2004 and ending July 1, 2006:

Bernard Weiner of Bourbonnais  
Non-Salaried

BOARD OF HIGHER EDUCATION

To be a Member of the Board of Higher Education for a term commencing on April 8, 2004 and ending January 31, 2007:

Robert J. Ruiz of Oak Lawn  
Non-Salaried

PUBLIC ADMINISTRATOR/ PUBLIC GUARDIAN OF EDGAR COUNTY

To be the Public Administrator/Public Guardian of Edgar County for a term commencing April 12, 2004 and ending December 4, 2006:

Amy L. Smith of Hume  
Non-Salaried

SPINAL CORD AND HEAD INJURIES, ADVISORY COUNCIL ON

To be a Member of the Advisory Council on Spinal Cord and Head Injuries for a term commencing April 2, 2004 and ending June 30, 2006:

William Bogdan of South Holland  
Non-Salaried

To be a Member of the Advisory Council on Spinal Cord and Head Injuries for a term commencing April 19, 2004 and ending June 30, 2005:

Karen Campbell of Fowler

To be a Member of the Advisory Council on Spinal Cord and Head Injuries for a term commencing April 19, 2004 and ending June 30, 2005:

Dawn Wentar Henry of Mahomet  
Non-Salaried

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SPORTS FACILITIES AUTHORITY

To be a Member and Chair of the Sport Facilities Authority for a term commencing April 2, 2004 and ending June 30, 2006:

Peter C.B. Bynoe of Chicago  
Non-Salaried

WESTERN ILLINOIS UNIVERSITY BOARD OF TRUSTEES

To be a Member of the Western Illinois University Board of Trustees for a term commencing April 8, 2004 and ending January 17, 2005:

William L. Epperly of Chicago  
Non-Salaried

Rod Blagojevich  
GOVERNOR

Under the rules, the foregoing Messages were referred to the Committee on Executive Appointments.

**READING BILLS FROM THE HOUSE OF REPRESENTATIVES A SECOND TIME**

On motion of Senator Shadid, **House Bill No. 3835** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Cullerton, **House Bill No. 3857** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Clayborne, **House Bill No. 3865** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Clayborne, **House Bill No. 3937** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Jacobs, **House Bill No. 4026** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Crotty, **House Bill No. 4092** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Garrett, **House Bill No. 4098** having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 was held in the Committee on Rules.

The following amendment was offered in the Committee on Transportation, adopted and ordered printed:

**AMENDMENT NO. 2**

AMENDMENT NO.   2  . Amend House Bill 4098 by replacing everything after the enacting clause with the following:

"Section 5. The Regional Transportation Authority Act is amended by adding Section 2.04A as follows:

(70 ILCS 3615/2.04A new)

Sec. 2.04A. Universal fare card.

(a) In order to promote greater access and convenience for public transit riders through a seamless regional transit network, the Authority shall adopt a universal fare card and establish policies concerning its implementation and use, as federal and State funds are provided to the Authority for the purposes of

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this Section. For purposes of this Section, "universal fare card" means a fare instrument that can be used seamlessly on all bus, rapid transit, commuter rail, and paratransit services for all fare structures under the Authority's jurisdiction.

(b) Upon request, the Service Boards shall expeditiously provide to the Authority any information related to the Authority's responsibilities under this Section, subject to execution of appropriate non-disclosure agreements with respect to the owners of confidential and proprietary information.

(c) The Authority shall, by January 1, 2005, in conjunction with the Service Boards, solicit proposals to develop a plan to implement a universal fare card. The plan shall detail the specific components and costs of a universal fare card and an integrated fare management system, including the possibility of phased-in implementation, as federal and State funds are provided to the Authority for the purposes of this Section. The plan shall assess the most cost-effective approach to extend existing infrastructure currently in use throughout the Authority's service area and the life cycle costs of operation, labor, and maintenance for a minimum of 15 years. The plan shall include, but is not limited to, a specific analysis of the technical and operational feasibility and cost-effectiveness of the development and implementation of the following:

(1) the type, number, and design of universal fare cards using contactless smart card or other technology;

(2) the type, number, and design of universal fare card readers or validators that are able to process a wide variety of transit trips and fare structures including, but not limited to, inter-agency and intra-agency transfers, time-based passes, and multi-trip passes;

(3) the type, number, and design of any equipment needed to mount universal fare card readers or validators by: (i) retrofitting existing buses, rapid transit, or rail cars, (ii) modifying stations with barriers or gates, or (iii) installing freestanding card readers or validators at unattended stations;

(4) the type, number, and design of portable hand-held readers for use by transit operators, paratransit operators, or on-board ticket takers, as appropriate;

(5) the type, number, and design of secure self-service machines and point-of-sale terminals for purchasing or adding value to universal fare cards with cash, credit cards, and debit cards, inside or outside of transit stations, at retail outlets, and at other venues;

(6) the software and hardware technology needed to automate and decentralize participation by employers and their employees in the U.S. Transit Check program;

(7) the software and hardware technology needed to enhance customer service capabilities for purchasing or adding value or other transit fare products to universal fare cards, providing information, and other conventional and Internet-based services; and

(8) the software and hardware technology needed for a central automated clearinghouse that processes all fare transactions and settles payments on a daily basis among the Service Boards and that also provides to each Service Board data relative to passenger ridership and transfers in order to help assess routes and schedules and to determine fare revenues for preparation of annual proposed budgets and financial plans.

(d) By January 1, 2005, the Authority shall develop a cost analysis of the fare management systems in use by the Service Boards on the effective date of this amendatory Act of the 93rd General Assembly in order to enable the Authority, the Governor, and the General Assembly to compare the costs of conversion to a universal fare card and integrated fare management system with existing costs for each Service Board, including but not limited to, the following:

(1) handling the cash sale of tickets by personnel at stations, on buses, or on board commuter rail cars;

(2) counting and reconciling all cash collected;

(3) deposits of all cash collected and time delays resulting in loss of interest earned;

(4) accounting systems prepared and updated for all cash collected;

(5) security for removal and transportation of cash collected; and

(6) shrinkage due to human error or other reasons.

(e) By April 1, 2005, the Authority shall compile all information derived from subsections (c) and (d) into a report and submit the report to the General Assembly and the Governor.

Section 99. Effective date. This Act takes effect upon becoming law."

### AMENDMENT NO. 3

AMENDMENT NO. 3. Amend House Bill 4098, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 1, by replacing lines 21 and 22 with the following: "execution of appropriate non-disclosure agreements with the owners of confidential and proprietary".

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There being no further amendments, the bill, as amended, was ordered to a third reading.

On motion of Senator Walsh, **House Bill No. 4103** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Garrett, **House Bill No. 4478** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Clayborne, **House Bill No. 4481** was taken up, read by title a second time. Floor Amendment No. 1 was held in the Committee on Rules. There being no further amendments the bill was ordered to a third reading.

On motion of Senator Jacobs, **House Bill No. 4491** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Hunter, **House Bill No. 4560** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Walsh, **House Bill No. 4769** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Risinger, **House Bill No. 4779** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Hunter, **House Bill No. 4831** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Jacobs, **House Bill No. 4847** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Cronin, **House Bill No. 4944** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Sieben, **House Bill No. 5129** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Martinez, **House Bill No. 5175** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Halvorson, **House Bill No. 5340** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Collins, **House Bill No. 5562** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Peterson, **House Bill No. 5928** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Insurance and Pensions, adopted and ordered printed:

**AMENDMENT NO. 1**

AMENDMENT NO.   1  . Amend House Bill 5928 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Insurance Code is amended by adding Section 205.1 as follows:  
(215 ILCS 5/205.1 new)

Sec. 205.1. Policyholder collateral, deductible reimbursements, and other policyholder obligations.

(a) Any collateral held by, for the benefit of, or assigned to the insurer or the Director as rehabilitator,

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liquidator, or conservator to secure the obligations of a policyholder under a deductible agreement shall not be considered an asset of the estate and shall be maintained and administered by the Director as rehabilitator, liquidator, or conservator as provided in this Section and notwithstanding any other provision of law or contract to the contrary.

(b) If the collateral is being held by, for the benefit of, or assigned to the insurer or subsequently the Director as rehabilitator, liquidator, or conservator to secure obligations under a deductible agreement with a policyholder, subject to the provisions of this Section, the collateral shall be used to secure the policyholder's obligation to fund or reimburse claims payment within the agreed deductible amount.

(c) If a claim that is subject to a deductible agreement and secured by collateral is not covered by any guaranty association or the Illinois Insurance Guaranty Fund and the policyholder is unwilling or unable to take over the handling and payment of the non-covered claims, the Director as rehabilitator, liquidator, or conservator shall adjust and pay the non-covered claims utilizing the collateral but only to the extent the available collateral after allocation under subsection (d), is sufficient to pay all outstanding and anticipated claims. If the collateral is exhausted and the insured is not able to provide funds to pay the remaining claims within the deductible after all reasonable means of collection against the insured have been exhausted, the Director's obligation to pay such claims from the collateral as the rehabilitator, liquidator, or conservator terminates, and the remaining claims shall be claims against the insurer's estate subject to complying with other provisions in this Article for the filing and allowance of such claims. When the liquidator determines that the collateral is insufficient to pay all additional and anticipated claims, the liquidator may file a plan for equitably allocating the collateral among claimants, subject to court approval.

(d) To the extent that the Director as rehabilitator, liquidator, or conservator is holding collateral provided by a policyholder that was obtained to secure a deductible agreement and to secure other obligations of the policyholder to pay the insurer, directly or indirectly, amounts that become assets of the estate, such as reinsurance obligations under a captive reinsurance program or adjustable premium obligations under a retrospectively rated insurance policy where the premium due is subject to adjustment based upon actual loss experience, the Director as rehabilitator, liquidator, or conservator shall equitably allocate the collateral among such obligations and administer the collateral allocated to the deductible agreement pursuant to this Section. With respect to the collateral allocated to obligations under the deductible agreement, if the collateral secured reimbursement obligations under more than one line of insurance, then the collateral shall be equitably allocated among the various lines based upon the estimated ultimate exposure within the deductible amount for each line. The Director as rehabilitator, liquidator, or conservator shall inform the guaranty association or the Illinois Insurance Guaranty Fund that is or may be obligated for claims against the insurer of the method and details of all the foregoing allocations.

(e) Regardless of whether there is collateral, if the insurer has contractually agreed to allow the policyholder to fund its own claims within the deductible amount pursuant to a deductible agreement, either through the policyholder's own administration of its claims or through the policyholder providing funds directly to a third party administrator who administers the claims, the Director as rehabilitator, liquidator, or conservator shall allow such funding arrangement to continue and, where applicable, will enforce such arrangements to the fullest extent possible. The funding of such claims by the policyholder within the deductible amount will act as a bar to any claim for such amount in the liquidation proceeding, including but not limited to any such claim by the policyholder or the third party claimant. The funding will extinguish both the obligation, if any, of any guaranty association or the Illinois Insurance Guaranty Fund to pay such claims within the deductible amount, as well as the obligations, if any, of the policyholder or third party administrator to reimburse the guaranty association or the Illinois Insurance Guaranty Fund. No charge of any kind shall be made by the Director as rehabilitator, liquidator, or conservator against any guaranty association or the Illinois Insurance Guaranty Fund on the basis of the policyholder funding of claims payment made pursuant to the mechanism set forth in this subsection.

(f) If the insurer has not contractually agreed to allow the policyholder to fund its own claims within the deductible amount, to the extent a guaranty association or the Illinois Insurance Guaranty Fund is required by applicable state law to pay any claims for which the insurer would be or would have been entitled to reimbursement from the policyholder under the terms of the deductible agreement and to the extent the claims have not been paid by a policyholder or third party, the Director as rehabilitator, liquidator, or conservator shall promptly bill the policyholder for such reimbursement and the policyholder will be obligated to pay such amount to the Director as rehabilitator, liquidator, or conservator for the benefit of the guaranty association or the Illinois Insurance Guaranty Fund that paid such claims. Neither the insolvency of the insurer, nor its inability to perform any of its obligations

under the deductible agreement, shall be a defense to the policyholder's reimbursement obligation under the deductible agreement. When the policyholder reimbursements are collected, the Director as rehabilitator, liquidator, or conservator shall promptly reimburse the guaranty association or the Illinois Insurance Guaranty Fund for claims paid that were subject to the deductible. If the policyholder fails to pay the amounts due within 60 days after such bill for such reimbursements is due, the Director as rehabilitator, liquidator, or conservator shall use the collateral to the extent necessary to reimburse the guaranty association or the Illinois Insurance Guaranty Fund, and, at the same time, may pursue other collections efforts against the policyholder. If more than one guaranty association or the Illinois Insurance Guaranty Fund has a claim against the same collateral and the available collateral (after allocation under subsection (d)), along with billing and collection efforts, are together insufficient to pay each guaranty association or the Illinois Insurance Guaranty Fund in full, then the Director as rehabilitator, liquidator, or conservator will pro-rate payments to each guaranty association or the Illinois Insurance Guaranty Fund based upon the relationship the amount of claims each guaranty association or the Illinois Insurance Guaranty Fund has paid bears to the total of all claims paid by such guaranty association or the Illinois Insurance Guaranty Fund.

(g) Director's duties and powers as rehabilitator, liquidator, or conservator.

(1) The Director as rehabilitator, liquidator, or conservator is entitled to deduct from reimbursements owed to guaranty associations or the Illinois Insurance Guaranty Fund or collateral to be returned to a policyholder reasonable actual expenses incurred in fulfilling the responsibilities under this provision, not to exceed 3% of the collateral or the total deductible reimbursements actually collected by the Director as rehabilitator, liquidator, or conservator.

(2) With respect to claim payments made by any guaranty association or the Illinois Insurance Guaranty Fund, the Director as rehabilitator, liquidator, or conservator shall promptly provide the court, with a copy of the guaranty associations or the Illinois Insurance Guaranty Fund, with a complete report of the Director's deductible billing and collection activities as rehabilitator, liquidator, or conservator including copies of the policyholder billings when rendered, the reimbursements collected, the available amounts and use of collateral for each policyholder, and any pro-ration of payments when it occurs. If the Director as rehabilitator, liquidator, or conservator fails to make a good faith effort within 120 days of receipt of claims payment reports to collect reimbursements due from a policyholder under a deductible agreement based on claim payments made by one or more guaranty associations or the Illinois Insurance Guaranty Fund, then after such 120 day period such guaranty associations or the Illinois Insurance Guaranty Fund may pursue collection from the policyholders directly on the same basis as the Director as rehabilitator, liquidator, or conservator, and with the same rights and remedies, and will report any amounts so collected from each policyholder to the Director as rehabilitator, liquidator, or conservator. To the extent that guaranty associations or the Illinois Insurance Guaranty Fund pay claims within the deductible amount, but are not reimbursed by either the Director as rehabilitator, liquidator, or conservator under this Section or by policyholder payments from the guaranty associations' or the Illinois Insurance Guaranty Fund's own collection efforts, the guaranty association or the Illinois Insurance Guaranty Fund shall have a claim in the insolvent insurer's estate for such un-reimbursed claims payments.

(3) The Director as rehabilitator, liquidator, or conservator shall periodically adjust the collateral being held as the claims subject to the deductible agreement are run-off, provided that adequate collateral is maintained to secure the entire estimated ultimate obligation of the policyholder plus a reasonable safety factor, and the Director as rehabilitator, liquidator, or conservator shall not be required to adjust the collateral more than once a year. The guaranty associations or the Illinois Insurance Guaranty Fund shall be informed of all such collateral reviews, including but not limited to the basis for the adjustment. Once all claims covered by the collateral have been paid and the Director as rehabilitator, liquidator, or conservator is satisfied that no new claims can be presented, the Director as rehabilitator, liquidator, or conservator will release any remaining collateral to the policyholder.

(h) The Illinois Circuit Court having jurisdiction over the liquidation proceedings shall have jurisdiction to resolve disputes arising under this provision.

(i) Nothing in this Section is intended to limit or adversely affect any right the guaranty associations or the Illinois Insurance Guaranty Fund may have under applicable state law to obtain reimbursement from certain classes of policyholders for claims payments made by such guaranty associations or the Illinois Insurance Guaranty Fund under policies of the insolvent insurer, or for related expenses the guaranty associations or the Illinois Insurance Guaranty Fund incur.

(j) This Section applies to all receivership proceedings under Article XIII that either (1) commence on or after the effective date of this amendatory Act of the 93rd General Assembly or (2) are on file or open on the effective date of this amendatory Act of the 93rd General Assembly and in which an Order of

Liquidation is entered on or after May 1, 2004.

(k) For purposes of this Section, a "deductible agreement" is any combination of one or more policies, endorsements, contracts, or security agreements, which provide for the policyholder to bear the risk of loss within a specified amount per claim or occurrence covered under a policy of insurance, and may be subject to the aggregate limit of policyholder reimbursement obligations. This Section shall not apply to first party claims, or to claims funded by a guaranty association or the Illinois Insurance Guaranty Fund in excess of the deductible unless subsection (e) above applies. The term "non-covered claim" shall mean a claim that is subject to a deductible agreement and is not covered by a guaranty association or the Illinois Insurance Guaranty Fund.

Section 99. Effective date. This Act takes effect upon becoming law."

There being no further amendments, the bill, as amended, was ordered to a third reading.

On motion of Senator Collins, **House Bill No. 6564** was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Burzynski, **House Bill No. 7263** was taken up, read by title a second time and ordered to a third reading.

#### REPORT FROM RULES COMMITTEE

Senator Viverito, Chairperson of the Committee on Rules, during its April 22, 2004 meeting, reported the following Senate Resolutions have been assigned to the indicated Standing Committees of the Senate:

Agriculture and Conservation: **Senate Resolution No. 499.**

Executive: **Senate Resolution No. 488.**

Labor and Commerce: **Senate Resolution No. 487.**

Senator Viverito, Chairperson of the Committee on Rules, during its April 22, 2004 meeting, reported the following House Bills have been assigned to the indicated Standing Committee of the Senate:

Executive: **House Bills Numbered 1959 and 6683.**

Senator Viverito, Chairperson of the Committee on Rules, to which was referred **House Bill No. 752** on July 1, 2003, pursuant to Rule 3-9(b), reported that the Committee recommends that the bill be approved for consideration and returned to the calendar in its former position.

The report of the Committee was concurred in.

And **House Bill No. 752** was returned to the order of third reading.

#### READING BILL FROM THE HOUSE OF REPRESENTATIVES A SECOND TIME

On motion of Senator Collins, **House Bill No. 4567** was taken up, read by title a second time and ordered to a third reading.

#### CONSIDERATION OF RESOLUTIONS ON SECRETARY'S DESK

Senator Ronen moved that **House Joint Resolution No. 15**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Ronen moved that House Joint Resolution No. 15 be adopted.

And on that motion a call of the roll was had resulting as follows:

Yeas 51; Nays None; Present 1.

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The following voted in the affirmative:

Althoff	Garrett	Maloney	Sieben
Bomke	Geo-Karis	Martinez	Silverstein
Brady	Haine	Obama	Soden
Burzynski	Halvorson	Peterson	Sullivan, D.
Clayborne	Harmon	Petka	Sullivan, J.
Collins	Hendon	Righter	Trotter
Cronin	Hunter	Risinger	Viverito
Crotty	Jacobs	Ronen	Walsh
Cullerton	Jones, J.	Roskam	Welch
del Valle	Jones, W.	Rutherford	Winkel
DeLeo	Laufen	Sandoval	Wojcik
Dillard	Lightford	Schoenberg	Mr. President
Forby	Link	Shadid	

The following voted present:

Munoz

The motion prevailed.

And the resolution was adopted.

Ordered that the Secretary inform the House of Representatives thereof.

Senator Hunter moved that **Senate Joint Resolution No. 58**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Hunter moved that Senate Joint Resolution No. 58 be adopted.

And on that motion a call of the roll was had resulting as follows:

Yeas 53; Nays None.

The following voted in the affirmative:

Althoff	Haine	Peterson	Sullivan, D.
Bomke	Halvorson	Petka	Sullivan, J.
Brady	Harmon	Radogno	Syverson
Burzynski	Hendon	Righter	Trotter
Clayborne	Hunter	Risinger	Viverito
Collins	Jacobs	Ronen	Walsh
Cronin	Jones, J.	Roskam	Watson
Crotty	Jones, W.	Rutherford	Welch
Cullerton	Laufen	Sandoval	Winkel
DeLeo	Lightford	Schoenberg	Wojcik
Dillard	Link	Shadid	Mr. President
Forby	Maloney	Sieben	
Garrett	Martinez	Silverstein	
Geo-Karis	Obama	Soden	

The motion prevailed.

And the resolution was adopted.

Ordered that the Secretary inform the House of Representatives thereof, and ask their concurrence therein.

Senator Geo-Karis moved that **Senate Resolution No. 102**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Geo-Karis moved that Senate Resolution No. 102 be adopted.

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The motion prevailed.  
And the resolution was adopted.

Senator Shadid moved that **Senate Resolution No. 168**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.  
Senator Shadid moved that Senate Resolution No. 168 be adopted.  
The motion prevailed.  
And the resolution was adopted.

Senator Schoenberg moved that **Senate Resolution No. 171**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.  
Senator Schoenberg moved that Senate Resolution No. 171 be adopted.  
The motion prevailed.  
And the resolution was adopted.

Senator Watson moved that **Senate Resolution No. 428**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.  
Senator Watson moved that Senate Resolution No. 428 be adopted.  
The motion prevailed.  
And the resolution was adopted.

Senator Martinez moved that **Senate Resolution No. 437**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.  
Senator Martinez moved that Senate Resolution No. 437 be adopted.  
The motion prevailed.  
And the resolution was adopted.

Senator Geo-Karis moved that **Senate Resolution No. 447**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.  
Senator Geo-Karis moved that Senate Resolution No. 447 be adopted.  
The motion prevailed.  
And the resolution was adopted.

Senator Crotty moved that **Senate Resolution No. 474**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.  
Senator Crotty moved that Senate Resolution No. 474 be adopted.  
And on that motion a call of the roll was had resulting as follows:

Yeas 52; Nays None.

The following voted in the affirmative:

Althoff	Haine	Peterson	Sullivan, J.
Bomke	Halvorson	Petka	Syverson
Brady	Harmon	Radogno	Trotter
Burzynski	Hendon	Rauschenberger	Viverito
Clayborne	Hunter	Risinger	Walsh
Collins	Jacobs	Ronen	Watson
Cronin	Jones, J.	Roskam	Welch
Crotty	Jones, W.	Rutherford	Winkel
del Valle	Lauzen	Sandoval	Wojcik
DeLeo	Lightford	Shadid	Mr. President
Dillard	Link	Sieben	

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Forby	Luechtefeld	Silverstein
Garrett	Maloney	Soden
Geo-Karis	Obama	Sullivan, D.

The motion prevailed.  
And the resolution was adopted.

Senator Obama moved that **House Joint Resolution No. 34**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.  
Senator Obama moved that House Joint Resolution No. 34 be adopted.  
And on that motion a call of the roll was had resulting as follows:

Yeas 52; Nays None.

The following voted in the affirmative:

Althoff	Haine	Peterson	Sullivan, D.
Bomke	Halvorson	Petka	Sullivan, J.
Brady	Harmon	Radogno	Trotter
Clayborne	Hendon	Righter	Viverito
Collins	Hunter	Risinger	Walsh
Cronin	Jacobs	Ronen	Watson
Crotty	Jones, J.	Roskam	Welch
Cullerton	Jones, W.	Rutherford	Winkel
del Valle	Lauzen	Sandoval	Wojcik
DeLeo	Lightford	Schoenberg	Mr. President
Dillard	Link	Shadid	
Forby	Luechtefeld	Sieben	
Garrett	Maloney	Silverstein	
Geo-Karis	Obama	Soden	

The motion prevailed.  
And the resolution was adopted.  
Ordered that the Secretary inform the House of Representatives thereof.

## PRESENTATION OF RESOLUTIONS

### SENATE RESOLUTION 507

Offered by Senator E. Jones and all Senators:  
Mourns the death of Evans Royce Miller of Markham.

By unanimous consent, the foregoing resolution was referred to the Resolutions Consent Calendar.

Senator Hunter offered the following Senate Resolution, which was referred to the Committee on Rules:

### SENATE RESOLUTION NO. 508

WHEREAS, The FDA has shown that consumption of soft drinks has increased by 500% over the past 50 years, and Americans consume more than 53 gallons of carbonated soft drinks per person per year; and

WHEREAS, Studies have consistently shown that frequent consumption of carbonated beverages with added sweeteners increases the risk of dental caries, enamel erosion, and obesity; and

WHEREAS, An extra soft drink a day gives a child a 60% greater chance of becoming obese; and

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WHEREAS, Creating a captive audience among students for commercial marketing purposes and exclusive brand loyalty violate both the spirit of competition and public trust in schools; and

WHEREAS, Low income children receive most of their fruits and vegetables from school meal programs, but the great availability of soft drinks and junk foods undermines the schools meal programs, and contribute to the diminished health of low income children; and

WHEREAS, The combined situation of increasing financial pressures on schools along with private contracts providing financial benefits and opportunities for schools has created an inviting atmosphere for exclusive vending contracts; and

WHEREAS, Schools play a significant role in nutrition education, not only because children eat many of their meals at school, but also because schools educate students concerning appropriate nutritional decisions and are viewed by students as an authority, setting examples that will last a lifetime; and

WHEREAS, Pursuant to House Resolution 147, the Department of Public Health, in conjunction with the State Board of Education, has conducted a sugar consumption study to determine the effect of sugar consumption on the overall health of school children; and

WHEREAS, Many studies exist that substantially document that increases in sugar consumption in children/adolescents' diets have an adverse effect on overall health, and given the multitude of clinical studies it would be repetitive to conduct additional studies in Illinois on sugar's impact on children's health; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we urge the State Board of Education, the soft drink industry, and the Illinois Statewide School Management Alliance to eliminate soft drink beverage sales and junk food products from school settings; and be it further

RESOLVED, That schools substitute these sugar-laden products with healthy drinks and products such as fruit juices that are composed of no less than 50% fruit juice and that have no added sweeteners, bottled water, milk, including but not limited to, chocolate milk, soymilk, rice milk, other similar dairy or non-dairy milk, and electrolyte replacement beverages that do not contain more than 42 grams of added sweetener per 20 ounce serving; and be it further

RESOLVED, That suitable copies of this resolution be delivered to the soft drink industry, the State Board of Education, and the Statewide School Management Alliance of Illinois.

## **RESOLUTIONS CONSENT CALENDAR**

### **SENATE RESOLUTION 489**

Offered by Senator Collins and all Senators:  
Mourns the death of Kelly Nelson of Chicago.

### **SENATE RESOLUTION 490**

Offered by Senator Haine and all Senators:  
Mourns the death of George Killion of Godfrey.

### **SENATE RESOLUTION 491**

Offered by Senator Haine and all Senators:  
Mourns the death of Virginia Pauline Redd of Godfrey.

### **SENATE RESOLUTION 492**

Offered by Senator Link and all Senators:  
Mourns the death of John Patton of Waukegan.

### **SENATE RESOLUTION 493**

Offered by Senator Link and all Senators:  
Mourns the death of Joseph Jurkovic of Waukegan.

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**SENATE RESOLUTION 494**

Offered by Senators E. Jones - Link and all Senators:  
Mourns the death of Emmett V. McNamara Sr. of Villa Park.

**SENATE RESOLUTION 495**

Offered by Senator Crotty and all Senators:  
Mourns the death of Staff Sergeant Michael Sutter of Tinley Park.

**SENATE RESOLUTION 496**

Offered by Senator Crotty and all Senators:  
Mourns the death of U.S. Marine Corps helicopter pilot Captain Adam Miller of Midlothian.

**SENATE RESOLUTION 497**

Offered by Senator Haine and all Senators:  
Mourns the death of Ralph Layton of Bethalto.

**SENATE RESOLUTION 498**

Offered by Senator Crotty and all Senators:  
Mourns the death of Anthony Scariano of Olympia Fields.

**SENATE RESOLUTION 501**

Offered by Senator Wojcik and all Senators:  
Mourns the death of Ernst-August Kranz of Germany.

**SENATE RESOLUTION 502**

Offered by Senators Demuzio, E. Jones and all Senators:  
Mourns the death of Arthur "Bunny" Thornton.

**SENATE RESOLUTION 503**

Offered by Senators Demuzio, E. Jones and all Senators:  
Mourns the death of Charles K. Barnett of Roodhouse.

**SENATE RESOLUTION 504**

Offered by Senators Demuzio, E. Jones and all Senators:  
Mourns the death of Ralph H. Ricketts of Mt. Vernon.

**SENATE RESOLUTION 505**

Offered by Senator Harmon and all Senators:  
Mourns the death of John "Jack" R. Hosty, Sr. of Oak Park.

**SENATE RESOLUTION 506**

Offered by Senator Risinger and all Senators:  
Mourns the death of Virgil Anderson of Princeton.

**SENATE RESOLUTION 507**

Offered by Senator E. Jones and all Senators:  
Mourns the death of Evans Royce Miller of Markham.

Senator DeLeo moved the adoption of the foregoing resolutions.  
The motion prevailed.  
And the resolutions were adopted.

**MESSAGE FROM THE HOUSE**

A message from the House by  
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has adopted the following joint resolution, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

**HOUSE JOINT RESOLUTION NO. 77**

**RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN**, that when the two Houses adjourn on Thursday, April 22, 2004, the House of Representatives stands adjourned until Tuesday, April 27, 2004 at 1:00 o'clock p.m.; and the Senate stands adjourned until Tuesday, April 27, 2004, at 12:00 o'clock noon.

Adopted by the House, April 22, 2004.

MARK MAHONEY, Clerk of the House

By unanimous consent, on motion of Senator Welch, the foregoing message reporting House Joint Resolution No. 77 was taken up for immediate consideration.

Senator Welch moved that the Senate concur with the House in the adoption of the resolution.

The motion prevailed.

And the Senate concurred with the House in the adoption of the resolution.

Ordered that the Secretary inform the House of Representatives thereof.

At the hour of 1:15 o'clock p.m., pursuant to **House Joint Resolution No. 77**, the Chair announced the Senate stand adjourned until Tuesday, April 27, 2004, at 12:00 o'clock noon.