

83RD GENERAL ASSEMBLY

REGULAR SESSION

MAY 31, 1984

PRESIDENT:

The Senate will please come to order. Will the members be at their desks and will our guests in the gallery please rise. Prayer this morning by the Reverend Charles Mulcrone, Cathedral of the Immaculate Conception, Springfield, Illinois, Father.

FATHER MULCRONE:

(Prayer given by Father Mulcrone)

PRESIDENT:

Thank you, Father. Reading of the Journal.

SECRETARY:

Monday, May the 21st, 1984.

PRESIDENT:

Senator Kelly.

SENATOR KELLY:

Mr. President, I move that the Journal just read by the Secretary be approved unless some Senators has additions or corrections to offer.

PRESIDENT:

All right, you've heard the motion for approval as placed by Senator Kelly. Any discussion? If not, all in favor indicate by saying Aye. All opposed. The Ays have it. The motion carries. It's so ordered. Senator Kelly.

SENATOR KELLY:

Mr. President, now I move that the reading and approval of the Journals of Tuesday, May 22nd; Wednesday, May 23rd; Thursday, May 24th; Friday, May 25th; Tuesday, May 29th and Wednesday, May 30th, in the year 1984, be postponed pending arrival of the printed Journals.

PRESIDENT:

You've heard the motion as placed by Senator Kelly. Any discussion? If not, all in favor indicate by saying Aye. All opposed. The Ayes have it. The motion carries. It's so ordered. Senator Geo-Karis, for what purpose do you arise?

SENATOR GEC-KARIS:

Mr. President and Ladies and Gentlemen of the Senate, on a point of personal privilege.

PRESIDENT:

State your point.

SENATOR GEO-KARIS:

We have with us today in the President's Gallery the general manager, Lynn Mallory, of the Zion Holiday Inn to which you know you have been notified there will be a fine outing on the 8th, 9th and 10th of July to enjoy fishing, golfing and what have you, and I'd like you to help me...to join me, rather, in welcoming Lynn Mallory here to the Senate.

PRESIDENT:

Will our guest please stand and be recognized. Welcome to Springfield. Messages from the House.

SECRETARY:

Message from the House by Mr. O'Brien, Clerk.

Mr. President - I am directed to inform the Senate the House of Representatives has passed bills with the following titles, in the passage of which I am instructed to ask concurrence of the Senate, to-wit:

House Bills 2372, 2477, 2638, 2645, 2646, 2649, 2765, 2785, 2786, 2788 and 2789.

Message from the House by Mr. O'Brien, Clerk.

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

House Joint Resolution 154, and it's congratulatory.

PRESIDENT:

Consent Calendar. Committee reports.

SECRETARY:

Senator Buzbee, chairman of Appropriations II Committee,

reports out House Bill 2711 with the recommendation Do Pass as Amended.

Pursuant to the amended Rule 5, the Rules Committee met at 8:30 a.m., Thursday, May the 31st, 1984, makes the following report. By unanimous vote the committee ruled that the following House bills can be considered this Session of the Senate:

House Bills 598, 1302, 1427, 2040, 2211, 2278, 2321, 2360, 2441, 2458, 2502, 2509, 2513, 2545, 2566, 2568, 2578, 2657, 2665, 2726, 2787, 2798, 2804, 2805, 2810, 2816, 2837, 2838, 2857, 2859, 2878, 2887, 2952, 3057, 3060, 3062, 3073, 3083, 3091, 3092, 3099, 3110, 3123, 3126, 3162, 3174, 3201, 3202, 3203, 3206 and 3221.

By a majority vote, the committee ruled that the following House bill can be considered this Session of the Senate:

House Bill 3165.

The following bills were ordered to the Committee on Assignment of Bills. Signed, Philip J. Rock, chairman.

PRESIDENT:

Senator Bloom, for what purpose do you arise?

SENATOR BLOOM:

Thank you, Mr. President. I seek to be made a joint sponsor of House Bill 2598. I've spoken with the sponsor and I'd like it to read...with leave of the Body, Lechowicz-Bloom.

PRESIDENT:

2598?

SENATOR BLOOM:

2-5-9-8, yes, sir.

PRESIDENT:

Okay. The gentleman requests leave to be shown as hyphenated cosponsor of House Bill 2598. Is leave granted? Leave is granted. It's so ordered. Resolutions.

SECRETARY:

Senate Resolution 661, by Senator Rigney. It's congratulatory.

662 and 663, by Senator Jones, congratulatory.

664, Senator Holmberg, congratulatory.

665, by Senators Hall, Rock and all Senators. It's congratulatory.

...666, by Senator Lemke is a death resolution.

PRESIDENT:

Consent Calendar.

SECRETARY:

Senate Resolution 667, by Senator...Barkhausen.

PRESIDENT:

Executive. All right, with leave of the Body, we'll turn to page 5 on the Calendar, go to the Order of House Bills 1st Reading. House bills 1st reading, Mr. Secretary.

ACTING SECRETARY: (MR. FERNANDES)

House Bill 1334, Senator Nedza.

(Secretary reads title of bill)

House Bill 2409, Senator Netsch.

(Secretary reads title of bill)

House Bill 2426, by Senator Jerome Joyce.

(Secretary reads title of bill)

House Bill 2437, Senator Bruce.

(Secretary reads title of bill)

House Bill 2613, Senator Denuzio.

(Secretary reads title of bill)

House Bill 2636, Senator Geo-Karis.

(Secretary reads title of bill)

House Bill 2637, by Senator Kustra.

(Secretary reads title of bill)

House Bill 2639, Senator Geo-Karis.

(Secretary reads title of bill)

House Bill 2643, by Senator Donahue.

(Secretary reads title of bill)

2747, Senator Savickas.

(Secretary reads title of bill)

House Bill 2753, Senator Nedza.

(Secretary reads title of bill)

House Bill 2812, Senator Philip.

(Secretary reads title of bill)

House Bill 2853, Senator Degnan.

(Secretary reads title of bill)

House Bill 2876, by Senator Jerome Joyce.

(Secretary reads title of bill)

House Bill 2962, by Senators Degnan and Jereniah Joyce.

(Secretary reads title of bill)

House Bill 3034, Senator Degnan.

(Secretary reads title of bill)

House Bill 3035, Senator Nedza.

(Secretary reads title of bill)

House Bill 3134, by Senator Holmberg.

(Secretary reads title of bill)

House Bill 3181, Senator Luft.

(Secretary reads title of bill)

House Bill 3231, Senator Rock.

(Secretary reads title of bill)

House Bill 3255, by Senator Carroll.

(Secretary reads title of bill)

1st reading of the bills.

PRESIDENT:

Resolutions.

SECRETARY:

Senate Resolution 668 offered by Senator Weaver and all Senators, and it's congratulatory.

PRESIDENT:

Consent Calendar.

SECRETARY:

Senate Joint Resolution 118 offered by Senator Grotberg.

PRESIDENT:

Executive. Senator Kustra, for what purpose do you arise?

SENATOR KUSTRA:

Mr. President, I am sponsor of House Bill 2360 and I would like leave of the Senate to add Senator Becker as hyphenated cosponsor.

PRESIDENT:

All right, the gentleman seeks leave to have Senator Becker as a hyphenated cosponsor of House Bill 2360. Is leave granted? Leave is granted. It's so ordered. Senator Grotberg, for what purpose do you arise?

SENATOR GROTERBERG:

Thank you, Mr. President. I have caused to be filed a joint House-Senate resolution requesting the Arts Council to, in fact, by resolution send us annual reports to our district, and I just thought anybody that wants to cosponsor that resolution...I note you referred it to Executive, but anybody that wants to cosponsor that resolution...I forgot what the number is, Mr...118. Those of you that are listening that want to find out where your grants are going, there's no need to pass a law about it, I think that the council will respond. Joint 118. Anybody that wants to cosponsor it, just tell the Secretary.

PRESIDENT:

Senator Marovitz, for what purpose do you arise?

SENATOR MAROVITZ:

Thank you, Mr. President and members of the Senate. While we're on the subject of tourism, and in a little lull, I've been asked by a few members about Legislator's Night at White Sox's Park, that will be August the 14th. Legislator's Night at White Sox's Park, August 14th. That includes dinner...buffet dinner and the ball game. Some ballplayers will be coming down and having dinner with us. A

good chance to bring your kids and see a ball game at night. August 14th. Please call my secretary and make your reservations. Tickets are eighteen dollars and includes dinner, parking and the tickets. August 14th. You'll be getting a mailer next week.

PRESIDENT:

Senator Zito, for what purpose do you arise?

SENATOR ZITO:

Thank you, Mr. President. While there's a lull, I would ask to be added as a hyphenated chief sponsor of Senate Joint Resolution 118.

PRESIDENT:

All right, Senator Zito seeks leave to be added as a hyphenated cosponsor of Senate Joint Resolution 118. Leave granted? Leave is granted. All right, in order to facilitate the paper work, we have, as I'm sure you're aware, only fifteen bills on the Order of 3rd Reading that must be addressed before the close of business today. There are...members have indicated that...that there are three bills on the recall list. The list has been distributed. Senator Schaffer on 1550. Are we ready? All right, with leave of the Body, we'll move to page 3 on the Calendar, on the Order of Senate Bills 3rd Reading is Senate Bill 1550. Senator Schaffer seeks leave of the Body to return that bill to the Order of 2nd Reading for purposes of an amendment. Is leave granted? Leave is granted. On the Order of Senate Bills 2nd Reading, Senate Bill 1550, Mr. Secretary.

SECRETARY:

Amendment No. 5 offered by Senator Buzbee.

PRESIDENT:

Senator Buzbee.

SENATOR BUZBEE:

Yes, thank you, Mr. President. This restores two hundred and thirteen thousand dollars of which...of which a hundred

and ninety-four thousand is GRF and nineteen thousand five hundred is Block Grant Fund to reflect the originally budgeted phasing of eighteen new employees and the triplicate prescription program. After a discussion with the department, we decided that perhaps we had cut a little too deeply and so we are restoring two hundred and thirteen thousand dollars with this amendment, and I would move its adoption.

PRESIDENT:

All right, Senator Buzbee has moved the adoption of Amendment No. 5 to Senate Bill 1550. Is there any discussion? If not, all in favor of the adoption of the amendment indicate by saying Aye. All opposed. The Ayes have it. The amendment is adopted. Further amendments?

SECRETARY:

Amendment No. 6, by Senators Etheredge and Netsch.

PRESIDENT:

Senator Etheredge.

SENATOR ETHEREDGE:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. There are three parts to this amendment...

PRESIDENT:

Wait a minute, Senator.

SENATOR ETHEREDGE:

...the...

PRESIDENT:

May I ask the members to be in their seats and we'll take the conferences off the floor. Senator Etheredge.

SENATOR ETHEREDGE:

...there are three parts to this amendment. The first part provides sufficient additional funding in order to fully fund nineteen staff positions on a full year, twelve-month, basis. These are the nineteen positions that the Department of Mental Health and Developmental Disabilities has...had...has earlier identified as supporting the alcohol-



ism program, so when we're...they were under the control of that department. These positions are...are necessary in order to provide the departmental support at the regional level for the hundred and forty alcoholism programs that are operated around the State. The second part of the amendment provides two hundred thousand dollars for early intervention programs which are badly needed. One of the...the areas of greatest concern is the growing number of young people that are involved in...in drug abuse and alcoholism...abuse and they need...we need to identify these...these people earlier on in order that we can help them to help themselves. The third part of this amendment deals with the...a...a prison initiative, and I would defer to Senator Netsch to explain this part of the amendment.

PRESIDENT:

Senator Netsch.

SENATOR NETSCH:

Thank you, Mr. President. Senator Etheredge and I have offered this amendment because we feel that it fills in some important gaps in the new Department of Alcoholism and Substance Abuse which is about to take effect on July 1. He has explained our reason for two parts of the amendment. Let me just add a few words on the third part of the amendment which is the more...the most costly part of the amendment. It adds eight hundred thousand dollars to the so-called prison crowding initiative. This was something that was started during the Fall Legislative Session when one of our major issues involved the fact that we simply did not have enough prison beds to take care of the population. As many people in the Senate know, it is much more cost efficient for those who are convicted of crimes and are drug offenders to put them in a treatment program where the cost is about six thousand dollars a year rather than to lock them up in Stateville or Joliet where the cost is fourteen to fifteen thousand dollars

a year; and indeed in response to that recognition, the General Assembly and the Senate, particularly, has taken initiative itself in the past to increase the amount of funding available for the drug alternative. As you know, it is not available to those who've been convicted of violent crimes et al, but that has already had an impact in reducing overcrowding in the prisons and, obviously, if we can annualize this program, it will have a much greater impact. It really is a critical part of our attempt to...to keep down the prison population and, hopefully, return some people to constructive lives eventually. The eight hundred thousand dollars was a half-year's appropriation for this program. That we have done is to add another...by this amendment, to add another eight hundred thousand dollars which will annualize it. It will make possible when you add it all together a very substantial cost savings to the State of Illinois, and we think it is a critical part of this overall program. So, I support not only the other two parts of the amendment to which Senator Etheredge has referred but strongly support this part also.

PRESIDENT:

Senators Etheredge and Netsch have moved the adoption of Amendment No. 6 to Senate Bill 1550. Any discussion? If not, all in favor indicate by...I beg your pardon, Senator Buzbee.

SENATOR BUZBEE:

I'm sorry, Mr. President, I thought I had my light on. Well, two parts of the amendment I...I think are all right, the two most expensive parts, but we have already added back money for positions in the previous amendment, the amendment that I offered prior to this one; and now, this amendment also contains besides the eight hundred thousand dollars for the task, the criminal alternative, and the two hundred thousand dollars for grants to prevention programs, it also adds two hundred forty-four thousand GRF for Personal Services and

fringes to add six new positions which were not in the budget to start with. The Governor and the Bureau of the Budget had not approved these positions. In our discussion with...with the department and with the director this morning...pardon me, with the director in committee, I don't recall his ever saying anything about wanting these six additional positions. I have just checked with Senator Carroll and our staff director and neither one of them recall his saying anything about it either. Now...so what we're doing here is we're adding a quarter of a million dollars over and above the Governor's budget for positions that the department has not said they need. We have made some priority...prioritizations, I hesitate to use that bureaucratic term, but we have made some prioritizations here in this Senate and we said that we were going to put additional dollars in to education and we were going to put additional dollars in to the funding of the pension systems over and above the Governor's recommended level, and to be able to those things, we were going to have to make some cuts in some other areas, and we have made very selective cuts; in those cases where we think we've gone overboard, why we have been amenable to the addition of some...some funds back, but it seems to me that it is not good public policy to come in at this point and say, well, let's add six new positions that the department didn't even...request, that the Bureau of the Budget did not approve and apparently the Governor did not want. I oppose the amendment.

PRESIDENT:

Further discussion? Senator Schaffer.

SENATOR SCHAFFER:

Mr. President and members of the Senate, I think some of you will recall last fall when we had the debate on the creation of this new department that many of the providers and the community and mental people had real reservations for

fear that in the shuffle the alcohol treatment programs would suffer. Well, in the shuffle, that's where those six positions got dropped and, of course, the director is responding to the normal Bureau of the Budget knee-jerk kind of thing. I get concerned because of my interest in this, quite frankly, is to see that alcoholism and drug treatment are fairly treated, and I don't see how we can consider that those of us who wrote all are constituents that expressed concern saying not to worry, we'll take care of you, can go along with a reduction of those six existing positions, existing positions which have somehow in the shuffle, not in the legislative shuffle, I...I would hasten to add, in the Executive shuffle have somehow faded from the scene. The...the simple fact of the matter is that I think to keep faith with the...the people that contacted us expressing concerns, we have to see that the alcoholism portion on the program is at least maintained at the level that it currently is after July 1; and my understanding is we need to maintain these six positions, which is not to say that there may not be other areas that can be reduced, and I would hasten to add that we'll see this appropriation again in some form or another, since I'm sure our friends in the House will have additional suggestions one way or the other, and I would support that particular part of the amendment and suggest that we adopt it and get on with it, knowing full well that's coming back again for further fine-tuning.

PRESIDENT:

Further discussion? Senator Netsch.

SENATOR NETSCH:

Thank you. I might just add before Senator Etheredge closes, I think Senator Schaffer has said most of it with respect to this, but it is important to know these are not new positions. The Division of Alcoholism had already been reduced last year from fifty-one to thirty-nine positions.

When the consolidated budget was put together, they were further reduced to twenty positions. Those are the positions we are trying to restore in full so that the Division of Alcoholism at least will begin with where it was last year, and the request came from the Dangerous Drugs Advisory Council. It was we who initiated all of this and said it is not fair to start the alcoholism program off with a...a short deck, so it is we who suggested this and we strongly support it.

PRESIDENT:

Further discussion? Any further discussion? Senator Etheredge may close.

SENATOR ETHEREDGE:

Thank you, Mr. President. I would just underscore once again, these are not new positions. These nineteen people are working now. They have worked in the past. They are the key people in providing the support for the hundred and forty alcoholism programs that are offered to our citizens around the State of Illinois. These are not new positions...they...we need them in order to...to continue to provide credible service to citizens. I would urge your support.

PRESIDENT:

Question is the adoption of Amendment No. 6 to Senate Bill 1550. Those in favor of the amendment will vote Aye. Those opposed will vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 43 Ayes, 6 Nays, none voting Present. Amendment No. 6 is adopted. Further amendments?

SECRETARY:

No further amendments.

PRESIDENT:

3rd reading. Senator Watson, on 1565. There's an amendment filed. Okay. Bottom of page 3 on the Order of Senate

Bills 3rd Reading is Senate Bill 1565. Senator Watson seeks leave of the Body to return that bill to the Order of 2nd Reading for purposes of an amendment. Is leave granted? Leave is granted. On the Order of Senate Bills 2nd Reading, Senate Bill 1565, Mr. Secretary.

SECRETARY:

Amendment No. 3 offered by Senator Watson.

PRESIDENT:

Senator Watson.

SENATOR WATSON:

Thank you, Mr. President. Senate Bill 1565 is the Department of Law Enforcement's appropriation bill. This was brought before us yesterday. Senator Buzbee asked me to take it out of the record so that he could talk to Director Zagel concerning previous work on the committee...Appropriations II Committee when we reduced the department's State trooper vehicle request by two hundred and eighty cars. This amendment adds back two hundred and forty of those two hundred and eighty cars at a cost of two million five hundred and ninety-two thousand dollars. I move for the adoption of the amendment.

PRESIDENT:

Senator Watson has moved the adoption of Amendment No. 3 to Senate Bill 1565. Any discussion? Senator Buzbee.

SENATOR BUZBEE:

Thank you, Mr. President. We did meet with the director and he promised that he really did need the cars. No, he convinced us that perhaps we had cut a little too deeply in the...in the State police automobile purchase and so this amendment, as I recall, adds back two hundred and thirty...two hundred and forty of those cars that we...that we cut out. They are on a cycle...they had been on a cycle of complete replacement of the fleet every three years. Two years ago they...went into a slow-down situation and con-

tinued that again last year. This year they are speeding up a little bit, but still not at a one-third replacement, and so we...we are in agreement with this amendment.

PRESIDENT:

Question is the adoption of Amendment No. 3 to Senate Bill 1565. Any further discussion? If not, all in favor indicate by saying Aye. All opposed. The Ayes have it. The amendment is adopted. Further amendments?

SECRETARY:

No further amendments.

PRESIDENT:

3rd reading. Senator Bloom, 1654. Do you wish to return that? Senator Bloom.

SENATOR BLOOM:

I understood the amendment was going to be withdrawn.

PRESIDENT:

Senator Zito.

SENATOR ZITO:

Thank you, Mr. President. Senator Bloom is correct. I...I offered that amendment and would ask at this time it be withdrawn.

PRESIDENT:

Amendment is withdrawn. Thank you. Senator Marovitz, for what purpose do you arise?

SENATOR MAROVITZ:

Thank you, very much, Mr. President. I would ask leave of the Body to be listed as a hyphenated principal sponsor of Senate...House Bill 2328. With Senator Maitland's permission, it should read Maitland-Marovitz.

PRESIDENT:

The gentleman seeks leave to be shown as the hyphenated cosponsor of House Bill 2-3-2-8, 2328, with Senator Maitland. Is leave granted? Leave is granted. Senator Vadalabene, for what purpose do you arise?

SENATOR VADALABENE:

Thank you, Mr. President and members of the Senate. Having been in the phone booth when 1550 was amended, I would like the record to show that I was in support of Amendment No. 5 and Amendment No. 6. Thank you.

PRESIDENT:

The record will so reflect. All right, with leave of the Body, pursuant to Senate Resolution 650 which was adopted by this Body last week, would seek leave that the Senate now resolve itself into a Committee of the Whole to conduct a hearing with respect to the economic and financial benefit in...and anticipated costs with respect to the proposed expansion of McCormick Place, the construction and operation of the 1992 World's Fair and the establishment and implementation of a program to stimulate the growth of the visitor industry in the State of Illinois. Is leave granted? Leave is granted. The Committee of...the Senate now resolves itself into a Committee of the Whole. Those individuals who have been invited or who wish to participate as witnesses, if they will stand ready, there are places along the side of the floor. I would ask the members to be in their seats. We would hope that the hearing would not go much beyond two o'clock so that we can conclude our business and head back to our districts. The Chair will now relinquish and ask Senators Terry Bruce and Edward Nedza who are members of the task force to assume the podium for the purpose of conducting this meeting.

PRESIDING OFFICER: (SENATOR BRUCE)

All right. If I might have the attention of the Body, please. With leave of the...the...the Senate, while we're in the Committee of the Whole, Senator Nedza and I will be co-chairmen of the proceedings and would alternate as required to move the proceedings along. If I might have your attention, particularly if I might have the attention of the



witnesses...if I might have the attention of the witnesses who have planned to testify today, back at the back of the Chamber at the sergeant...of the Senate, he has witness slips and you will have to register with the sergeant-at-arms and he will, in fact, bring the witnesses down so that we have a record of the proceedings. Also...as to television and radio stations, WCIA has requested permission, Seth Froman from the Associated Press has requested leave to shoot photographs, UPI wishes to shoot still photographs and the Chicago Tribune, and is there leave, in fact, for the television stations that are not listed here but are set up, is there leave for them to film the proceedings? Leave is granted. Okay. If I might have the attention, also, the archivist for the Chicago Historical Society is seeking leave to film...to tape the proceedings so that they might have it in their records for the World's Fair Authority. Is there leave? Leave is granted. I should also inform the...the membership that we will have two video presentations and the screen has been set up behind us, and so as we go through the proceedings, those will also be utilized. Other members of the task force from the Senate should be recognized, Senator John Maitland has been serving on the task force along with Senator Forest Etheredge, and they may from time to time ask questions or be involved in the proceedings. We have distributed to all the members a file on the World's Fair and McCormick Place and tourism in the State of Illinois, and in that packet is an agenda, and we will start with an overview of the three projects involved. If I might have the attention of the...if the witnesses can be seated, if we would take our caucuses and discussions off the Floor. We have seating available to either side of the Podium and along the walls on either side of the Chamber for our witnesses. With an overview of the proceedings, we would introduce Senator Philip Rock, President of the Illinois Senate. Senator Rock.

SENATOR BOCK:

Thank you, Mr. President and Ladies and Gentlemen. As I'm sure you are all aware since the passage of Senate Resolution 650, by which resolution we suspended our rules and exempted Senate Bills 1892, 1893 and 1894 from the Senate deadline for the expressed purpose, frankly, of having a Committee of the Whole. We have invited, and they have graciously responded, representatives of the City of Chicago, the mayor's office, the city council, the Metropolitan Fair and Exposition Authority, McCormick Place and representatives of the tourism industry in our State. This package of three bills in whatever form they wind up represent, as I think Father Mulcrone in the opening prayer this morning said so eloquently, a commitment really to the future of this State, and from time to time we are called upon as members of the General Assembly to make some decisions that will have a lasting impact on our children and our children's children. This series of bills, I suggest, is just exactly that. Some years ago a group from Chicago formed itself and presented the City of Chicago and the State of Illinois literally to the world, to the Bureau of International Exposition in the hopes of securing approval for Chicago, Illinois as the site of the 1992 World's Fair. That approval has been granted and Chicago and the State of Illinois have been designated by the Bureau of International Exposition as the site for the 1992 World's Fair. The questions that will be before us, frankly, are how do we finance it? We, by action of this General Assembly, have set up, have constituted the World's Fair Authority and provided for its membership and briefly outlined its duties and responsibilities; and the major duty and responsibility, frankly, is the financing of that effort, so that in 1992 more than sixty million people will come to the State of Illinois and our State will, obviously, benefit. The Governor wisely decided that these three issues should,

in fact, be talked about together, that we have a proposal for an expansion of the world's greatest convention center if we are to maintain our preeminence in that field; and further, that we as a people, we as a State, ought to let the rest of the world and the country know just exactly how good we are here in Illinois and how much we have to offer, and our tourism budget, frankly, has been woefully lacking and, again, as a matter of policy, we had better decide that, yes, indeed, we are making a commitment. So these three bills will incorporate, I hope, the recommendations of the task force, and I publicly commend the members of the task force who have been meeting pursuant to a call for a summit meeting by the Governor of this State. Each of us involved was asked to designate two people to sit as a task force and they have been meeting at great length over the last month, and, hopefully, next week we will have some firm recommendations which will then be, I hope, incorporated into these three bills and then we can address the matter; but in the meantime, I felt it very important that the members of this Senate would have the opportunity to talk with and to question and to hear from all the interested parties. Alderman Stone is with us, and yesterday the City of Chicago, by a virtue of city council action, adopted overwhelmingly the intergovernmental cooperation agreement which allocates some of the costs for the proposed World's Fair, and I'm sure we'll hear about that. In the meantime, I would ask you, Ladies and Gentlemen, to lend your attention to these witnesses. They are prepared to respond to any questions or any inquiries you might have, and this is a subject with which we will have to deal. We are called upon to make these kinds of decisions and we are called upon to do it before the end of June. Mr. Chairman, I would at this time ask you to start calling the list of witnesses.

PRESIDING OFFICER: (SENATOR BRUCE)

All right. The...if any witnesses have prepared text that they would like to have distributed, if you'll bring it to the Podium, we'll make sufficient copies for distribution. First witness will be Secretary of Transportation John Kramer, who is also Chairman of the Financial and Legislative Task Force on McCormick Place Expansion, the 1992 World's Fair and Statewide tourism. Secretary Kramer.

SECRETARY KRAMER:

Thank you, very much, Senator Bruce. I have a rather lengthy prepared statement that I'd like to distribute to you at this time. In the interest of time, I'd like to very briefly summarize my remarks on behalf of Governor Thompson and my colleagues on the task force so that you can hear from the incredibly impressive witness list that has come to Springfield today for this Session. I'd like to begin by thanking President Bock, Minority Leader Philip for convening this Session. In the ten years that I have had the opportunity to work with the members of this Body, I can think of no more important Session than the one taking place today. My colleagues and I on the task force, including the four Senate members, Senators Nedza, Bruce, Etheredge and Maitland, have had five very, very long sessions, the last one went until about two o'clock in the morning, attempting to measure the costs and benefits of these three activities in as thorough a fashion as we could. That sixty hours of consideration will today be compressed into about an hour, but I think the story is an impressive one. As hard as we tried to cross-examine all of the costs and benefits of these activities, as sceptical as all of us were entering into the process and still to this day about individual details with respect to each of the three activities before you today, I suspect...suspect I speak for all of us in saying that we found some pretty overwhelming benefits that outweigh, at least in my judgment, the cost that we will be asked as a

State to make and to incur to further these three activities. It is for that reason that my boss, Governor Thompson, believes that these three activities all aimed at promoting and developing the visitor industry in Illinois, creating jobs and creating new tax revenue and creating a new image for our State are perhaps the most important things that we can do for the long-term economic development of this State and why they have such high priority for this administration in this Session. I believe that the witnesses that you will hear from today, representing a remarkable cross sector of the business, labor and agricultural leadership of this State, tell a far more eloquent story than any of us in government life could tell about the economic ramifications of these projects. The fact that these programs in...as a whole enjoy some real interests amongst all of the factions within the City of Chicago, as evidenced by that 38 to 2 vote yesterday on the city council, in suburbs of Chicago and downstate, I think, reflect the fact that we are capable of acting as a single State when our economic interests are so vitally at stake. The witnesses that you will hear from will detail all of the costs and benefits, and you should cross-examine them just as we did. I suspect you will conclude that the benefits outweigh the costs by a factor of about three to one, and that this is a case just like the highway and transit funding programs which this Body in its wisdom enacted just a year ago represent a small investment now for a very big return and an investment that we can't afford as a State not to make. Rather than talking about the numbers now, I'd like to respond to the three questions that I have been most frequently asked by members of this Body. The first is, why all three of these activities should be considered as a package. Each member has told me that one or another of the three programs is attractive and could be supported but all three may be too much. I think Senator Rock

answered that question rather well, but let me just add to it by saying that we need to look at this as a total package to develop the visitor industry and the economy of Illinois. Each piece works much better in terms of its overall economic impact with the other two. The sources of revenue to fund them will be common and the benefits will be similar, and we really need to consider them as a whole so we know exactly what we're buying and what it will ultimately cost in its entirety. All of that needs to be on the table. The second question that I am most frequently asked by my downstate and suburban friends is, why should downstaters and suburbanites support the expansion of McCormick Place and a World's Fair both of which will be within the corporate limits of the City of Chicago. The answer to that, I think, is pretty simple. The first is, as you will hear from various proponents of these projects taken collectively, they will generate, if you believe all of the numbers which you'll be hearing and you'll have an opportunity to cross-examine just as we did, one hundred sixty-five million dollars in increased State and local tax revenue; money that will be transported throughout the State of Illinois to support the programs of this State, for all of the people of this State. Secondly, the people who go to the World's Fair in 1992, who go to the McCormick Place expansion in 1988 will to get there drive through parts of Illinois; and if we promote all of Illinois, we have an opportunity to capture a good deal of that business downstate and the jobs and dollars that that business can bring our people. And finally, these two activities particularly done in conjunction with an aggressive Statewide tourism program offer us a once in a lifetime opportunity to showcase all of Illinois, all of our products and all of our tourist attractions. The World's Fair will bring fifty-five million people from around the world to Illinois' doorstep. McCormick Place will bring from around the world the leading industrialists

and manufacturers and financiers of this world. It's our job, once they're here, to make sure that they see the very best of Illinois and that they invest here for our future and our children's future. Ladies and Gentlemen of the Senate, in closing, the task force which you have charged with assessing the costs of benefits has worked many, many hours to try and come up with a very realistic assessment of what each of these three activities will cost. The witnesses before you will attempt to outline that in summary fashion so that everybody here knows what all of the costs are and all of the benefits. I hope once all of the facts are on the table, this Body will come to the same conclusion that I did that the benefits far outweigh the cost; but listen to the facts, cross-examine them, apply the sharpest pencil you possibly can, then if you come to that conclusion, then I hope that we, as a task force, over the next week, with a lot more late night sessions, will be able to develop some alternative financing plans that involve substantial contributions by the private sector as well as government, 'cause this has to be a partnership, business and labor as well as just business, and come back to the legislative leaders and to the Governor who charged us with producing a report by mid-June...I think we can do it earlier than that, I think we can do it by the end of next week or early the following week, and a concrete proposal to fund all of these activities can be before you and enacted by this Session of the General Assembly so that the people of Illinois can begin realizing the very substantial benefits of these three programs. Thank you very much.

PRESIDING OFFICER: (SENATOR BRUCE)

Are there questions of Secretary Kramer? All right.

SECRETARY KRAMER:

God, I've never known this group to be shy.

PRESIDING OFFICER: (SENATOR BRUCE)

No, we'll...we'll confine the...the questions and answers

to the three topics here.

SECRETARY KRAMER:

Yeah, we'll talk...we'll talk privately about...

PRESIDING OFFICER: (SENATOR BRUCE)

All right. Hearing no questions, the Secretary will be available throughout the proceedings and he may, in fact, come back for questions if they are developed by further testimony.

SECRETARY KRAMER:

Thank you very much.

PRESIDING OFFICER: (SENATOR BRUCE)

Thank you, Secretary Kramer. Next will be Mr. Robert Mier, Commissioner, Economic Development Commission of the City of Chicago.

MR. MIER:

Thank you, Senator Bruce and Senators. The mayor and city council members, the administration of the City of Chicago also view this package of bills in their entirety as being vitally important to the development of a visitor trade industry in Chicago, in the Chicago region and in the State. We are keenly aware of the fact that our competition, other major cities like Chicago and our surrounding states, are outstripping us in the development of the visitor trade industry and it's an area where we have tremendous growth opportunity. I can identify no more important growth sector in our regional economy and this was underscored recently by a study being done by the commercial club on the long-range development of the Chicago region. Our growth rate has been barely above three percent in the visitor trade industry and our competition is growing at a fifteen percent rate. We feel particularly with the parallel growth of a...international trade sector in our region and our international financial services sector, we have a tremendous opportunity to capture a much greater proportion of the growth that's occurring in the



region; however, we cannot do it in a vacuum, it takes something as creative as what I think these three bills together represent. It's for this reason that the...the mayor has very strongly come out in support of all three. He arrived at this after an arduous process of deliberation both with his administration, with the community and with the city council, he created a task force to particularly look at the World's Fair. We've spent countless hours exploring the implications of the McCormick expansion and the development of the trade industry in Chicago. As a result of that, he has directed those of us who work with him to provide tremendous amount of time and support to the World's Fair Authority, to the Fair and Exhibition Authority as these packages have been developed, and more importantly, to really try and work within the city and within the region to educate the population about the benefits of this, and I think increasingly there...the city is awakening to the tremendous potential that these packages bring to all of us, and I think this is typified by what I consider to be a very powerful show of support within the city council after they have gone through much the same sort of deliberative process that we have, and Alderman Stone will talk about that briefly. And finally, I think the...the mayor has probably spent no greater amount of time on any issue since he's been in office than on these package of bills. He's personally had scores of meetings with business leaders, with the community constituency, he has both learned from these and has increasingly taken the lead in educating people about the benefits of them. We think that not only the City of Chicago but the entire metropolitan region and the State as a whole, as Secretary Kramer just outlined, stand to gain tremendously if we can work together to catalyze our visitor trade industry as I think these three bills will. Thank you very much.

PRESIDING OFFICER: (SENATOR BRUCE)

Are there questions of Mr. Hier? Questions?

MR. HIER:

Thank you, and I will also be around today if you want to talk to me privately.

PRESIDING OFFICER: (SENATOR BRUCE)

Very good and you will be available for questions later on if any develop. All right. There is a change in your agenda. At this point we are going to hear from the Mayor of the City of Rockford, John McNamara. Okay. Mr. McNamara has a conflict of business back in the City of Rockford and we will take his testimony which was on your agenda under the area of Statewide Tourism. He will give us an overview from the Rockford perspective about that particular matter. The Mayor of the City of Rockford, John McNamara.

MAYOR McNAMARA:

Thank you, Mr. President. Members of the Senate, I appreciate the opportunity to appear before you today to speak on behalf of tourism as an overview and I apologize for the interruption of the normal schedule. As Mayor of the City of Rockford, the largest city in the State of Illinois outside of Chicago, I believe that tourism is a vital part of our overall Statewide economic development thrust. I believe it is a Statewide effort that is necessary and that's why I am pleased and privileged to appear before you today. We must all join together to develop a curriculum of community effort, if you will, to focus attention on the assets of the State of Illinois and to enhance the image that we have throughout the country. We want to do that not only to attract visitors from other parts of the State...of the country but also for some of us from other parts of the State that are not yet aware of the attributes that we have in our individual communities. We need to attract visitors into our cities because I think it is a proven fact that cities do not get their reputations from the people who live in them but

rather from the people who pass through them. This visitor thrust will also enhance our overall economic development efforts and boost our Statewide image across the country and, indeed, in various parts of the State. Speaking on behalf of Rockford, we have absolutely years of anonymity to overcome in this area. As the largest city in the State of Illinois outside Chicago, we are probably the least known in the State and throughout the country. As a former legislator myself, a member of the city council and currently as mayor, I would like to submit four very short, simple reasons why I am supportive of tourism. Number one, it uses our natural resources, our rivers, our parks, indeed, our geographical location in the State and throughout the country without the requirement of additional investment by all of us. We are taking advantage of those assets we already have. Secondly, we'll be boosting the very same assets that our citizens enjoy. I believe, therefore, in passing this type of legislation we will have the community support and we'll be able to educate our own citizens about what we have in our communities so that we can also build up our own self-image in each of our respective communities. Third, I believe it's cheap. The return on the investment is great. We have no infrastructure in the bill, no loan programs to establish, no incredible efforts of public competition to secure a hundred jobs that as the Mayor Rockford I do and you do every day in the week. Recently in Rockford for four days we sponsored the Mid-American Conference Tournament as a prelude and an entry to the NCAA Convention. For four days we spent a total of fifty thousand dollars and we brought in one million dollars into our city, a heretofore unknown amount of...of money into that city. Fourth, I believe they're easy dollars. As a former legislator and as a mayor and someone who has lost our home rule status, we have twenty-five percent less employees in the City of Rockford than we had four

years ago. We lost forty-five percent of our tax base from the property tax base, but I submit to you, locally we are going to do this and we can do it better if it's a Statewide concerted effort with all of you. I say they're easy dollars because they're not property tax dollars, number one. Secondly, we can...join with them with the private sector; and thirdly, those public dollars that we raise are for the most part discretionary spending monies that we either in our city or for the most part are being dumped into our city by the very target audience we're trying to get, namely, visitors. So, those that as our target audience are primarily those who are paying for these programs. Fourthly, it employees people in our communities that most need the jobs. In '82 and '83 we averaged over twenty-four percent unemployment in the corporate limits of the City of Rockford. Most hit are the minority groups, the teenagers, the women, the unskilled. These...this industry, tourism, will provide those jobs to those categories of our people that are most affected by unemployment and most in need of jobs, entry level positions. I believe we can do it if we concentrate here and elsewhere throughout the State in a Statewide community effort, concentrating on those things that unite us and not to divide us. Speaking on behalf of myself, as the Mayor of the City of Rockford, I can certainly support these bills...if we can get a fair return on our investments as one of the major downstate areas of the State of Illinois, and I wish you Godspeed and good luck in your considered deliberations. Thank you for the opportunity to speak to you.

PRESIDING OFFICER: (SENATOR BRUCE)

Thank you, Mayor. Are...are there questions of Mayor McNamara? Questions? Senator Welch.

SENATOR WELCH:

Thank you. Mayor, you spoke about mainly tourism. What effect would the World's Fair in Chicago have upon Rockford

itself as far as bringing in individuals into outlying downstate areas because of the World's Fair? Do you have any idea if it would bring...be more people coming in because of that?

MAYOR McNAMARA:

Well, I don't have any statistical ideas, Senator. I'm sure perhaps some people on either my staff or the...the Chamber do, but I would have to think overall it would certainly have a very positive impact on it. We are seventy minutes from O'Hare and very close to everything that would take place. I would think there would certainly be effects on it. I'm speaking mainly on behalf of tourism, but...but I do appreciate that question.

SENATOR WELCH:

Well, that's why I asked...most of the witnesses concerning the World's Fair are from Chicago, and you're one of the few downstaters that I see here and that's why I'd...

MAYOR McNAMARA:

Good.

SENATOR WELCH:

...I'd like to ask you that question, and I'd like to follow that up. Do you really believe that somebody's going to stay in a hotel in Rockford to go to the Chicago World's Fair?

MAYOR McNAMARA:

Not necessarily, but I know if we do our part, we ought to be able to get them to and from.

SENATOR WELCH:

Well, that's a long way to commute, but...

MAYOR McNAMARA:

No, no. I don't think so...there...you know, I was raised in...in Whiting and Gary, Indiana; my wife is from Chicago,...and I'm a big booster of the City of Chicago. I think that's one of the...the greatest assets that Rockford

has is its relationship and proximity to Chicago and Madison, Galena and so forth.

SENATOR WELCH:

Well, I agree, but you're not saying that somebody would book a hotel in Rockford when they were going to attend the Chicago World's Fair for a week.

MAYOR McNAMARA:

Well, let me...let me say this, Senator, I've never attended a World's Fair. I've got six kids from nine months to eighteen. I know I'm going to go there. I'll probably stay in my house, but I can imagine from seventy minutes away that there may very well be people who do it. With our mass transit facilities and our ability to get in there, I wouldn't discount that, but I would not base my...my argument or my support of the thrust on the people who would be staying there; but after all, if...if we do our part and point out to these people who are coming to-and-fro of what we have to offer, to me it's not unheard of that we're going to have people staying in Rockford and Rockford having a greater identity because of the impact of the World's Fair.

SENATOR WELCH:

Thank you, Mayor.

MAYOR McNAMARA:

You're welcome. Thank you.

PRESIDING OFFICER: (SENATOR BRUCE)

Further question? Senator Geo-Karis.

SENATOR GEO-KARIS:

Mayor,...are you suggesting then the funding...the raising the...tax...hotel tax might be a good thing, it might be helpful to your area?

MAYOR McNAMARA:

...where are you are at so I can...

SENATOR GEO-KARIS:

I'm right in front of you. You can't miss me.

MAYOR McNAMARA:

I'm...I beg your pardon.

SENATOR GEO-KARIS:

I differ from most of these people.

MAYOR McNAMARA:

Good for you. Well,...would you please repeat that.

SENATOR GEO-KARIS:

Do you feel that...the raise in the hotel tax would be beneficial even to the...your areas?

MAYOR McNAMARA:

I...I...I believe that a Statewide effort and a...a program that would benefit all of us and impact on all of us would be beneficial, yes.

SENATOR GEO-KARIS:

Well, in my area, I don't think the largest hotel has more than two hundred rooms. Now, perhaps, maybe we can support that providing they exempt hotels that have two hundred rooms or under, because most of the big hotels are not located in Lake County or in...in Winnebago County, in your county.

MAYOR McNAMARA:

Well, I don't know if we have any hotel over two hundred rooms myself, but I...I would disagree. I don't think that distinction should be made.

SENATOR GEO-KARIS:

You don't?

MAYOR McNAMARA:

Most of us in Rockford do not stay in Rockford hotels unless we're in trouble at home, so I...I think that for the most part, the hotel industry is merely the collector and those that are paying it are...I don't mean this to be disparaging, but transients to our given community, so I don't think that it adversely affects our own local business people; i.e. those who are in the hospitality industry.

Page 32 - MAY 31, 1984

END OF REEL



REEL #2

SENATOR GEO-KARIS:

Thank you.

MAYOR McNAMARA:

Thank you. I appreciate your question. I'm sorry I didn't locate you.

PRESIDING OFFICER: (SENATOR BRUCE)

All right. Further questions? Senator Chew.

SENATOR CHEW:

Thank you, Mr. President. Mr. Mayor, I am grateful that a non-Chicagoian has had the courage and foresight to see that the name World's Fair does not stop at the city limits of Chicago. Fortunately, Chicago is, in fact, a part of the State of Illinois. Some of us here are so orientated to districts, my district, my district, my district, until we forget that we operate in a sovereign State; and it so happens that Chicago is the largest area in the State of Illinois, but it is still a part of the State of Illinois. The Governor of the State of Illinois who has spearheaded this, many, many meetings with mayors throughout the State of Illinois, meetings with Mayor Harold Washington of Chicago and it is a Statewide project not a Chicago project. If the fair site had been selected we'll say in Galena or Springfield, it would have been just as important for the City of Chicago to be an intricate part of a plan as if it were Springfield. Is that your view?

MAYOR McNAMARA:

It is, Senator, and...and I'm here supporting it because I...I do believe that it is...as I said, we concentrate on those things that unite us. What unite us is...all...what unites all of us is that we're from and for Illinois. And I...I'm assuming on this package of legislation that while it

is a Statewide effort to support it, the benefits are going to be Statewide and there...there is going to be a return on that investment throughout the State of Illinois, not only for Rockford but for the Macomb's and Decatur's and so for this world.

SENATOR CHEW:

And would you further agree that this meeting today also serves as an educational understanding for people who are not "living in an address in Chicago," that it is an Illinois project, not a Chicago project. It's part of a cooperative effort from all points and localities in the State of Illinois. And it's remarks like what you have made that will tend to make us understand that it is not a confinement. And I personally can thank you for having appeared and now I can understand why you are the Mayor of Rockford. Thank you, very kindly.

MAYOR McNAMARA:

Thank you, Senator.

PRESIDING OFFICER: (SENATOR BRUCE)

All right. Thank you. Further questions? Now, I have three additional questioners of the Mayor. He has submitted to testimony here on the aspect of tourism and if we can limit our questions to that particular aspect. We have coming three separate parts of the agenda; World's Fair, McCormick Place expansion and tourism. Senator Schuneman.

SENATOR SCHUNEMAN:

Thank you, Mr. Chairman and Mayor. I represent a district, your neighbor to the south. My district includes Whiteside County, Sterling, Rock Falls and such places. I think you...and I know of your support, your economic development and this sort of thing and...and I congratulate you on that. I think you're a particularly good witness for the proponents 'cause I think you probably really can make a case that Rockford is close enough, you have enough

interplay, the transportation is good, that Rockford will probably will benefit. But I'm wondering if you can make a case for communities like Sterling and Rock Falls, like the Quad-Cities, for example...quite some distance, I mean, farther than what most people would travel in and out of the city for projects of this kind. And it's hard for us to realize how any Statewide tax could return to us the kind of benefit that you're talking about. Can...can you make a case for such communities farther away than Rockford?

MAYOR McNAMARA:

Are...are you speaking of making a case for the World's Fair or McCormick Place or...or all three or what?

SENATOR SCHUNEMAN:

Well, I was thinking of all three, but I understand perhaps I'm addressing my questions to you, you're here perhaps on the tourism only. But whatever part of it you want to address, I'd like to hear what your...what your thoughts might be.

MAYOR McNAMARA:

Sure, I appreciate that. I...I view that while I was here for tourism if, I...if I'm up here, I run...I have to be prepared to answer all the questions. The tourism, there's no question in my mind, that we...we have been very backward in Rockford about telling about our story and our assets. We are going to do that irrespective of what happens. I think we can do it more effectively with the combined program that we would also benefit by. I do think that we...all of the downstate communities would benefit by a...an additional Statewide tax. There is probably going to be some layering or so forth between, you know, let's say maybe Chicago and some of the downstate areas, but I think that we can, if we...if in part of that we also get the proper exposure through the Department of Commerce and Community Affairs and so forth, that all of those other downstate areas including

Rockford deserve. As far as the collateral benefits of traveling, let's say, to and from Chicago either from McCormick Place or for World's Fair, I would say two things; one, I view that McCormick Place as absolutely vital to the economic health of the State, and if the State is healthy, Rockford's healthy, at least in that...you know, in that sense of the word. From...from...if...there's more monies in the State of Illinois to make the State better, at least we are in a better position. We are obviously independent from our economic health in many areas. Secondly, I guess I do believe, Senator, that there...there are going to be some collateral benefits to that. I can't say whether we sponsor things in conjunction with it, at the same time join in with general publicity. People are going to be gearing up to that and therefore have...be planning on spending more discretionary income. I...I think there's a lot of side benefits to those, it would be very difficult for me to document. I cannot document for you, I guess it's more a gut reaction. I appreciate your question.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Barkhausen.

SENATOR BARKHAUSEN:

Yes, Mayor, to follow up, if I may, on Senator Geo-Karis' question a couple of questioners ago. As I understand it, you do not have any problem with a differential in the rate of tax that would be applied outside of Chicago or Cook County as compared to that which is imposed in Cook County in a hotel-motel tax if that is the mechanism for financing an expansion of tourism?

MAYOR McNAHARA:

I would say the answer to that question is, yes, I do not have any difficulty with that.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Coffey.

SENATOR COFFEY:

Yes, just to follow up a little bit on that same question as a downstater from central Illinois, Danville area. And you pointed out that you think...there's three parts to this question and I guess maybe...the main reason you're here is for the tourism Statewide, and I can understand and I'm very supportive of that and have been on a commission for a number of years but found it very difficult to get any appropriations or any additional money or any concern from this Body over a...a number of years; and all of a sudden when the McCormick's expansion and the World's Fair which is in direct benefit to the City of Chicago, there seems to be a concern to throw a token amount of money into Statewide tourism, and before this time there was not such a...an attempt. Are you saying that...did the...that the benefits...do you feel that the benefits will be as direct to your city as they will be to the City of Chicago or to a Danville or a Decatur or a Champaign?

MAYOR McNAMARA:

On the tourism...I'm not here, Senator, looking for tokenism. I don't believe in that whether it's black, white, women or anything else. I...I'm here and I expect that the City of Rockford is going to get its fair share and the fair share is not tokenism for Rockford or for Danville.

SENATOR COFFEY:

So...so you're saying basically you support the concept as long as it's...it's...it's put in...

MAYOR McNAMARA:

As long as...as everybody delivers.

SENATOR COFFEY:

...it's equal.

MAYOR McNAMARA:

If the Legislative Body delivers, by God, the Executive Branch better deliver. Okay?

SENATOR COFFEY:

Thank you.

MAYOR McNAMARA:

Fair enough. Thank you.

PRESIDING OFFICER: (SENATOR BRUCE)

Further questions? Thank you, Mayor McNamara.

MAYOR McNAMARA:

Thank you, very much.

PRESIDING OFFICER: (SENATOR BRUCE)

All right. That completes our overview of the three different aspects of the matter before the Body, the McCormick Place expansion, tourism and the World's Fair. We will now go into the specific parts of that three...three-part package, and we will begin with the McCormick Place expansion. And I would like to mention to you also that on the McCormick Place expansion there is a display that they have set out...setup outside the Chambers and you can take a look at that at your leisure today. The first witness on that particular aspect will be Mr. James Sheerin, Chairman of the Metropolitan Fair and Exposition Authority and Senior Vice-President of the Hilton Hotels Corporation. Mr. Sheerin. Mr. Jim Sheerin.

MR. SHEERIN:

Thank you, Senator Bruce and Nedza. I'd acknowledge Secretary Kramer as the chairman of the appointed task force. Mr. President, members of the Illinois Senate, we appreciate very much the opportunity to present some of the details dealing with the expansion of McCormick Place. My part will be, at this stage, introductory. I would introduce Mr. Joseph Hannon who is the managing director of McCormick Place. We have another member of the McCormick Place Board who will be testifying later this afternoon, Don DePorter. I will call the first member of our board, Mr. Louie Peick, who is president of the Teamsters Joint Council #25. And I would

ask Mr. Peick to come up to the Podium, if he will, please, and testify.

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Louie Peick.

MR. PEICK:

Mr. Bruce, Mr. Medza, Mr. President, the Honorable Ladies and Gentlemen of the Senate. I appear before you for one reason and that is for jobs in the City of Chicago for McCormick Place. I don't know how many people realize how much McCormick Place means to Chicago in jobs. It could be as high as twenty thousand people right around the area of Chicago alone. I don't know how many people realize that if McCormick Place goes down the drain, how many people go out...get out of work here. And if you'll watch what's going on in the City of Chicago and going on in this United States, the City of Chicago could stand to lose all of the business they've got there outside of some of the little hunky-dunk joints that are here. Right now, we have one of the biggest shows going on and that show is ready to move to New York. If you understand McCormick Place, they talk about this expansion, that expansion will be across the highway, right across from...be connected with it. When one show moves out the other show will move in. Right now they have dead time there all the time. There...as I say, there's going to be twenty thousand jobs there. And to see this thing go by the wayside...we have places going up in the south, we have them in the west, we have the west coast and the east and there might be forty or fifty different cities building. And again, if we lose these jobs, Chicago could just become a bloom. And I don't think we need that in Chicago today. We're out of work as it is now. Illinois has been hit hard enough. We're all in favor of the World's Fair, the tourism and these are things that we really need in Chicago. And I hope you appreciate that, because it isn't just Chicago, it's

all over. Illinois is a beautiful State and we need these things here, not just because it's Chicago...the mayor said a little while ago, it's all over this State, we're all one. They say there's twenty thousand jobs that will be...around Chicago. Tax revenue in Chicago will increase by seventy-six million dollars, new visitors in Illinois and Chicago will be a half a million, visitor's spending in Chicago will be two hundred and seventy-five million. And again I ask you, seriously, please consider it because I think it's a great thing for our city, and I'm not saying it's only this city, I believe, as the mayor said, when there's taxes, the taxes belong all over. And again I ask you to please give it very your best and do whatever we can because we need that beautiful place on the lake and it is a beautiful place. Thank you for having me here.

PRESIDING OFFICER: (SENATOR NEDZA)

Any...any questions of Mr. Peick? All right. Thank you, very much, Mr. Peick.

MR. SHEERIN:

Thank you, Mr. Peick. That gives you some very capsulized idea of the impact of the job factor as far as Chicago and the State of Illinois is concerned. If I may, I would like to take just a few minutes and give you a very brief outline of McCormick Place. McCormick Place was...conceived and developed in 1955, and it was conceived because the United States was beginning to move into major trade show business. The McCormick Place facility at that time was the preeminent facility within this country. And as you all know, it was destroyed by fire in 1967 and reconstructed as the building you have today. In the early 1980's, 1980, 1981, the Metropolitan Fair and Exposition Authority Board saw storm clouds on the horizon. The storm clouds were, as Mr. Peick identified, the shows were getting larger, which is a paradox, and the set up and tear down time



was getting larger as well, reducing the real effect that the facility had on the economy. And when I speak of the economy, the economic effect that McCormick Place has is being recognized by other cities. The Anaheim, California; the Las Vegas, the Dallas, Houston, Washington D. C. and New York City, they are all getting into the act, they are all pushing because the dollars that we import come through such facilities as the trade show center. The competition is growing severe. The storm clouds that I referred to have been brought to the attention of all of the legislative bodies. The downside risk of not doing something for the expansion is going to be a continued erosion of the volume that we now enjoy. We will no longer be the preeminent facility of its kind in the United States. On a positive basis, as we would move to expand this facility, we will then enter into a new arena, we will enter into the international marketplace. And the import of dollars into Chicago and Illinois is really the basis of expanding our total economy. I will not make reference to the...to the other factors dealing with this three-way package, but they all tie to bringing in dollars from other areas of the country and of the world. I urge that as we proceed with the presentation this afternoon that you view them with keen interest, and with the questions that have already been asked to...previous witnesses, I am sure that it will develop a great deal of...of enthusiasm; and as you go into the details, we are here prepared to respond to any question that you may raise. And I think we have the broad spectrum to respond and to respond enthusiastically. Secretary Kramer made reference to spending late hours. I might add that the McCormick Place Authority meets at seven o'clock in the morning. So we're going from early in the morning to late at night on our various areas of interest. I would next introduce Mr. Rick Duran, who is managing associate of Lester B. Knight, management consultants that have

been retained by the MFFA to define the conclusions and the feasibility and an economic analysis of what we are proposing, and I will call Rick Duran to the Podium and he will present additional details for your information. Rick, please.

ER. DURAN:

Thank you, Jim. Senator Bruce, Senator Nedza, Mr. President, Honorable members of the Senate, we have, I believe, in our presentation of the next twenty minutes answers to enough of the questions that have already been posed as well as a general overview of the benefits, need for expansion, et cetera, in finite detail so that this Body may act and decide the outcomes it's considering. If I might have the lights down. I might mention that everything we will be showing on the screen in back of me this morning is in the printed documents that have been distributed to you. A little bit...on the focus and then we should be ready to go. Okay. Next light, please. We are presenting today the conclusions of a four-year process, a hundred-man team that has looked at the...necessity for expansion, the financial benefits of expanding and the impact that that expansion has in the Illinois economy. Next, please. The analysis looked at market feasibility. Was there a need for expansion? The answer was, yes. Financial feasibility, was it profitable in the economic sense to Illinois? The answer was, yes. And was it technically feasible, could we build a structure that met the needs of the market and the financial constraints? The conclusion of that analysis was that McCormick Place must expand to maintain its preeminent ranking as a trade show and convention facility. As the next slide highlights, the benefits of the expansion outweigh the costs measured in terms of annual debt service appropriation for the expansion. Next slide. This slide documents the highlights of McCormick Place's preeminence as a trade show facility. Twenty-six

major trade shows present at the facility each year and this document is in your handout. Eight of the top fifteen shows in America present at McCormick Place each year. The largest show, which begins on Sunday, is the summer Consumer Electronics Show with well over six hundred thousand net square feet of exhibits filling the Chicago area with the consumer electronics industry. A trade show in general is a mechanism by which an industry displays, markets and sells its product to the nation. The second largest show, hardware show; four of the top high-growth shows, music and sound, robotics, food and dairy, computergraphics. We find that all of these shows are growing in the McCormick Place facility. One-third of every square foot booked in the trade show industry in America is booked at McCormick Place as a facility. It's an incredible preeminence and predominance in the economy. One exhibitor in six at those trade shows is an Illinois company.

As the next slide shows, an analysis of approximately the top ten shows at McCormick Place on an exhibitor-by-exhibitor analysis shows that on average sixteen percent of all exhibitors at McCormick Place are Illinois companies or Illinois divisions. Illinois industry and business uses McCormick Place as a showcase for its wares to the nation. It is not unusual to see an outlying area to respond to the...to the question posed to the Mayor of Rockford, it is not unusual for an industry located downstate surrounding two hundred mile radius of McCormick Place to shuttle prospective buyers of capital goods to and from a trade show, presenting them the on-site facility back to the trade show, on and on, using McCormick Place as the display area and their facilities as the continued extended marketing arm. Every part of the State is somehow affected by an exhibitor who uses the McCormick Place facility as a showcase for its goods. In the economy, McCormick Place invites one million visitors to the Chicago and Illinois area. On a show-by-show population

aggregate, these people bring in as trade show expenditures run 1.76 billion dollars into the economy. Looking historically at the growth of McCormick Place as a facility for trade shows, we find, judged in comparison to the trade show industry at large in America, McCormick Place shows grow approximately twice as fast as the industry, in excess of ten percent compared to the six percent that the industry at large is. The industry in this case being the hundred and fifty largest trade shows in America of which McCormick Place is the...twelve of the top fifteen shows. We find, on example, that many times on a large show, the inventory of hotel rooms necessary to support eighty thousand visitors, sixty thousand visitors, et cetera must and definitely does go to the outlying areas and the surrounding areas of Chicago for hotel rooms. You have in your packet a documentation of the prebookings for the Consumer Electronics Show which indicates advanced hotel bookings, Schiller Park, Eurbank, Rosemont, Evanston, at Lincolnwood, Aurora, Oak...Oak Brook, et cetera. It is not unusual on extreme cases to see people staying in Kankakee and touring the electronic show or the machine tool show, et cetera. Again, that is not every single show but the largest of shows certainly have that situation. We find Chicago and Illinois posited in a battle, frostbelt against Sunbelt. We find the other major show cities throughout the county located predominately in the west, southwest and east, southeast growing, as was mentioned earlier, probably in excess of thirty percent. Example facilities such as Orlando which has approximately the same number of hotel rooms either existing or planned that Chicago has or...or has had recently. We find on a hall-by-hall comparison, as exhibited the green on this graph shows existing halls in the major cities and the yellow indicates planned expansion or expansion soon to come on-line. The green line in the top shows the eight hundred and thirty

thousand square feet that is the existing McCormick Place facility; added to that, the ancillary three hundred and thirty thousand square feet of facility the McCormick Place has and the indication of the expansion at about five hundred and fifty thousand square feet, clearly the largest in the country but portions of the hall are booked on a show-by-show basis. Any show that is three hundred thousand square feet can go anywhere that is six hundred thousand square feet, et cetera. What we have is these ten cities aggressively marketing for the Illinois market of our trade show industry. I might mention, on the previous slide, New York has a single facility planned...to open later this year or early next year has on one level what McCormick Place presently has on three levels. The clear indication was to replicate the largest and best hall in the McCormick Place facility. Las Vegas in another example which has an existing tourism bureau in the Hancock Center on North Michigan Avenue, every so often, every other year or so, expands their facility in the desert. The way trade shows book, two, three, four years out in advance tells us, for instance, the McCormick Place...facility is all but booked now well into the...the late eighties and that a decision point is now for what the industry will be two to three years from now. Next slide. What we are trying to achieve by this expansion is exhibited best by the lower portion of this graph. As McCormick Place first opened years ago it had two, then three major halls each of which could operate in an alternating fashion to allow a show to set up, run, and tear down as another show...as...as this show was tearing down, another show would come on-line. The end result was best exhibited by the bottom portion of this graph that shows an alternating effect. Over a fourteen-day period, three to four days is used to set up a show, four to five days to run a show and two to three days to tear it down. The economic benefit to

the community is only the portion of time that the show is running. Two-thirds of the...of the scheduling if the hall is completely booked is downtime in the terms of economic benefit to the community and the State. Presently because of the large shows in McCormick Place, the scheduling pattern is best exhibited as the top portion of this graph where we have a major show running three or four days and then dead time as that show tears down and the next show sets up; two weeks later, another major block of three or four days, clearly a feast and famine relationship for the economic benefits. The bold expansion plans attempt to fill in those valleys as shown by the yellow and create an even demand, an even invitation for economic benefit in the Illinois economy. The specifics of the expansion, as was mentioned earlier, will be a five hundred and fifty thousand square foot exhibit hall on two levels, a total building of somewhat over a million square feet which includes additional meeting rooms to meet the rising need for continuing education, audio-visual, et cetera for the industry. The facility will be located west of Lake Shore Drive, connected by an all-weather connection that will allow all three components of the McCormick Place facility; McCormick Place, the new expansion, and the existing Donnelley Hall to function as an entire complex if necessary and individual complexes if...if necessary. Cost of the expansion; when the project reached a milestone a year ago in...end of June, was a structure cost of a hundred and sixty million, land acquisition cost of somewhat around thirty million, construction administration, railroad administration, et cetera of an additional eleven million, the total number being, total construction costs number of two hundred and five million. I might mention that one year later as this task force began, the Capital Development Board has had an opportunity to review the construction manager's numbers and finds, at least on a preliminary two- to three-week inspec-

tion, that our numbers are certainly valid; in fact, their estimates came in under our estimates of a year ago. Clearly, we are not talking about...we are talking about a...a utility building that meets a utility market demand and goes up quickly, begins construction in this year, if it's so decided, and comes on-line late in '86 as a additional component of the facility. When terms...when measured in terms of issuance costs, bonding, et cetera, we are talking in rough numbers of about twenty-five to thirty million annual expansion debt service requirements. That exact number is a function of the eventual financing package that the task force is considering. The model that you have directly outside your Senate Chambers for inspection shows the facility that is located on land and air rights between the Lake Shore Drive properties and the Donnelley Printing Press properties. There is no existing construction on this site at the time. The building is fitted in and around and over the existing commuter rails, contemplates no relocation...no requirements for relocation of rail or relocation of structure and, as a footnote, has no...at least as a structure has no conflict with the existing proposed plans of the World's Fair construction. This is a picture of the covered connection which will extend over the drive, under the on-ramps, over the drive through the new expansion, et cetera linking the shows that meet in January and allowing them to have a complete facility and all-weather connection as well as the shows in the summer months, et cetera. The necessity is for a practically...structure...practically column-free structure and the design exhibits that. The cable-hung structure is also a necessity of where the tracks are underneath. Next. Expansion will add fifty percent to the exhibit real estate of McCormick Place as well as an additional twenty-five meeting rooms. Next. Will bring a half million new visitors to town. You have in your documents a show-by-show buildup of

shows that will grow into the facility as well as targeted shows. You have in your handouts twenty-five to forty shows that have expressed preliminary interest in coming into the facility. This is a finite market, we can identify the shows that want to come in, the shows that can come in, we know that that demand exists. Immediately the expansion will create fifteen hundred construction jobs. We have in your packet a bidder...a potential bidder's list that exhibits that practically all of the trades, practically all of the structure can be built with Illinois companies, Illinois suppliers and Illinois trades. As a half million new visitors come to town as documented by the list that you have, they spend on average five hundred and fifty dollars. There are national...studies that show this...trade show exhibitors spending ranging from five hundred to seven hundred dollars. We have taken a conservative position of five hundred and fifty dollars per visitor. These visitors create an annual benefit of approximately two hundred and seventy-five million. It is in the various sectors that...that you would expect an exhibitor to spend monies in; hotel, restaurant, retail, transportation, et cetera. Jobs creation of approximately five thousand...excuse me, these documents, illegible to your group here, are in your handout exhibiting national studies that show for the Chicago area, eighty percent of the visitors come by...by air...air and twenty percent by auto. That twenty percent when measured on a million and a half McCormick Place visitors presents the picture posited to the Mayor of Rockford earlier that says, "Three hundred...two hundred and fifty to three hundred thousand people drive through the State of Illinois to get to the McCormick Place complex." They obviously don't all not stop, they stop throughout the State. Next. The estimates are conservative that five thousand new hospitality jobs will be created, as shown by the next slide, predominately in the accommodations



market, food service, retail, transportation and entertainment. As these jobs...newly created jobs in the market go spend their pay checks, the grocer, the rent, et cetera, the eventual economic impact is approximately twenty thousand jobs created in the economy, nine hundred million dollars in gross regional product, gross State product as an impact. Obviously there is a tax component in each of these expenditures. Next, please. Twenty thousand permanent jobs. Next. Obviously there is a tax component associated with all of this spending. Estimates show that we are...we are estimating approximately seventy-six million annual dollars generated from existing taxes and existing tax revenues created. Next. This seventy-six million flows to the...to the municipalities where the money is spent throughout the State of Illinois. Next. And in general brings to the State coffers forty-seven million dollars annually. Next. We are before this Body this morning talking about the needs for expansion, the financial benefits of expansion and the consideration of an annual appropriation for expansion of twenty-five to thirty million measured against the benefits to the economy of Illinois of seventy-six million in annual tax revenues, presenting the mechanism by which Illinois industry markets, its wares to the American economy, and presenting the opportunity, as Mr. Sheerin mentioned, of Illinois moving in, even more so, into the international market and becoming the world center for trade show industry in the United States. Next. In summary, tax revenue creation from existing tax...revenue levels, seventy-six million; jobs creation, twenty million; economic impact, three-quarters of a billion to nine hundred million, and a half million new visitors to the Chicago economy for serving a vital portion of the growth industry that this Body is considering; that being, Illinois tourism. I thank this Body for their time and turn it back to Mr. Sheerin. Lights, please. Thank you.

PRESIDING OFFICER: (SENATOR NEDZA)

Could you kindly put the lights back. Are there any questions of Mr. Duran? No questions. Oh, all right. Senator Netsch.

SENATOR NETSCH:

Thank you. Is someone going to address the financing...Mr. Hannon, you going to talk about that?

PRESIDING OFFICER: (SENATOR NEDZA)

The...

SENATOR NETSCH:

So, there will be no suggestion about...

PRESIDING OFFICER: (SENATOR NEDZA)

...if I...if I may, Senator Netsch, that's the task force's...it's still a problem with the task force.

SENATOR NETSCH:

All right.

PRESIDING OFFICER: (SENATOR NEDZA)

Until they come with their final report...then that final result will be...

SENATOR NETSCH:

Could...could I just clarify that question a moment. That has to do with financing of the basic construction costs. Is there any assumption built into this about a continuing or increased annual subsidy for McCormick Place?

MR. DURAN:

The predominance of the subsidies presently received by McCormick Place from the State of Illinois are expansion subsidies; one from the existing McCormick Place facility and two from the renovation of the Donnelley Hall facility.

SENATOR NETSCH:

Sell, are you including the...I...as I recall, about 1.6 million a year that comes from Ag. Premium?

MR. DURAN:

Yes, that one...that Ag. Premium money is used as a

direct...flow through to the expansion debt service requirements of the existing McCormick Place facility.

SENATOR NETSCH:

Yeah, and the 4 point...

MR. DURAN:

Through your mid-nineties.

SENATOR NETSCH:

...and the...and the approximately 4.8 that is no longer needed for paying off Donnelley Place and now is, as I understand it, goes into the regular operations budget.

MR. DURAN:

...the major component of the 4.8 million received from the cigarette tax is for the renovation...costs, the retirement of the bonds used in the renovation of Donnelley Hall. There is a component of the 4.8 million that is used for the operation of Donnelley Hall as a separate entity from McCormick Place and that would need be continued.

SENATOR NETSCH:

Will the program require an increased annual subsidy?

MR. DURAN:

It is not...

SENATOR NETSCH:

Apart from...and I realize this may not be possible to separate out a part from that which is required for the...the debt service itself. I mean, you've got a twenty-five to...thirty million dollar annual debt service which presumably is going to be financed by something, but will there be...needed for an operating annual subsidy on top of that?

SENATOR NEDZA:

Senator Netsch, if I may interject, those are problems...that are still...in...in front of the task force...

SENATOR NETSCH:

That part...

PRESIDING OFFICER: (SENATOR NEDZA)

...so I don't think it would be fair to ask Mr. Duran at...at this particular time.

SENATOR NETSCH:

That part also...

MR. DURAN:

I might say in a general sense, the...the...the pattern that the expansion tries to achieve in alternating of halls presents an economy of scale for staff where...to use the staff on a continuing basis as you're running shows continuously. So there...we anticipate efficiencies in operation as a function of the expansion.

PRESIDING OFFICER: (SENATOR NEDZA)

All right. No further questions? Thank you, very much Mr. Duran. Mr. Sheerin.

MR. SHEERIN:

Thank you, Mr. Duran. I would ask that Mr. Hannon, who is the chief executive officer of McCormick Place, present his testimony, please.

MR. HANNON:

Mr. President and members of the Senate, delighted to be here this morning and summarize what has been said by the three previous colleagues of McCormick Place. Very briefly, McCormick Place is the greatest single revenue producer of any trade show center in the entire world. This has been through...true for the last decade. We have some twenty new shows that are very interested in coming into Chicago. McCormick Place also represents one-third of all the travel industry dollars that come into the State of Illinois. Our belief is, and going through the data and the very clinical research that was done over the past two and a half years is, that the growth of this particular industry in addition to the twenty thousand new jobs will mean in the decade of the eighties some six to ten billions of dollars for the State of Illinois. We also believe that McCormick Place is indeed an

Illinois asset and not strictly relegated to the confines of the two hundred and twenty-five square miles of Chicago. I think what we're also talking about here is that the loss of this expansion will mean an extraordinary amount of money to the State of Illinois in the next fifteen to twenty years. Conversely, the addition of the expansion will mean that no other hall in the world will be able to accommodate and grow both domestically and internationally in the trade show business. The trade show business is one of the few growth industries that we have that exists in the major cities and urban states of...of this country. The Consumer Electronics Show that will be in the hall June 3rd through June 6th will generate some sixty millions of dollars. If that particular show were lost to any one of the cities who I might add is spending an extraordinary amount of money in building halls and advertising, it could mean a loss to the State of Illinois of almost two billions of dollars, one show in the course of this decade. So what we're saying to you this morning is that we have a long track record unparalleled in trade show centers anywhere in the entire world, one that is merely an investment of a growth industry and one that we believe will have dividends for every citizen that resides in the State of Illinois. We're asking this...asking this to be able to go into the ground as quickly as possible so we can be ready to take on some of the other big centers as early as 1986 and to harness the energy of this industry that reflects, as we said, in every town and hamlet this multibillion dollar industry. Summarize, some twenty thousand new permanent jobs, some seventy-six million dollars in annual revenue, some nine hundred million dollars in...in an annual basis flowing into the State of Illinois and one that will allow us to continue to achieve, to have the strongest trade show industry anywhere in the world. Thank you, very much, and Mr. President.

PRESIDING OFFICER: (SENATOR BRUCE)

All right. Thank you, Mr. Hannon. We would be...that concludes the presentation on McCormick Place. Mr. Sheerin...Mr. Sheerin wanted to make a closing comment, then we'll take questions.

MR. SHEERIN:

If I may, the...the...the closing comment, very, very briefly. You look for the bottom line. The bottom line when you're the leader of any element of society, any element of the economy, if you're on top and you're not aware that competition is attacking, you have only one way to go and that's down. Joe indicated fifteen to twenty years. Perhaps I look at it more closely on the basis that the State of Illinois will be receiving reduced tax incomes within five years if we don't proceed with the expansion. You've been given the detailed informations on what will happen as we can...let's stay on top in this enormous industry called trade shows. Thank you, Mr. Chairman.

PRESIDING OFFICER: (SENATOR BRUCE)

Thank you, Mr. Sheerin. Questions of Mr. Sheerin or Mr. Hannon? Mr...Senator Keats.

SENATOR KEATS:

Thank you, Mr. President. Just a quick question of Mr. Hannon. I have always been a supporter of McCormick Place; in fact, years ago my father used to make his living exhibiting there. But I want to ask one quick question just having to do with overall management, and it's not a question I expect you to answer right at this moment. But could you make available to us in the Legislature what I would call the overhead costs; consultant contracts, particularly legal fees, and something of interest we would like is not simply your legal fees which we're interested in and all the consultant contracts, but who sues you? We've always sort of felt sometimes that there is method to the madness of lawsuits.

It might be interesting to see both the...our defense side, us being you and us, and also who's suing you, and if I might ask kiddingly, why they're suing you, and what are the loopholes and what laws that perhaps we could cleanup for you that would lessen the number of lawsuits and lower that overhead for you. But if we could have all those to look at, we would be most appreciative.

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Hannon.

MR. HANNON:

...you should have them. We...need all the help we can get in the litigation side. Thank you.

PRESIDING OFFICER: (SENATOR BRUCE)

All right. Further questions? Senator Barkhausen.

SENATOR BARKHAUSEN:

Mr. Hannon,...I've had a chance just to review a little bit of the written testimony here and was...was in and out during your oral testimony. As I understand it, all of money...is all of the money that now goes from...from the State to McCormick Place is it used solely for debt service?

MR. HANNON:

The...no, it is not all, sir. It's...it goes...the 4.8 millions of dollars is used for debt service of Donnelley Hall and some operating costs of Donnelley Hall. The dollars that are going into McCormick Place are going in merely for debt service.

SENATOR BARKHAUSEN

And that's 1.7 million?

MR. HANNON:

Yes, sir, that is correct.

SENATOR BARKHAUSEN:

And how...how much of the 4.8 is operating money as compared to debt service?

MR. HANNON:

About...about a million two is operating, sir, in Donnelley.

SENATOR BARKHAUSEN:

And of the...I...I'm not clear on what's purposed for the expansion. What are you seeking from us in terms of total dollars?

MR. HANNON:

In...in what regard, sir?

SENATOR BARKHAUSEN:

Tell for...for bonding. Are you looking for bonding money...for...expansion?

MR. HANNON:

Well, I...did you see any of the presentation at all Senator? The last...

SENATOR BARKHAUSEN:

I saw just a little bit of it, I'm sorry.

MR. HANNON:

Well, what we're talking about is an expansion of McCormick Place by some five hundred thousand square feet. The...the fiscal means of this financial package, as you know, is under the jurisdiction right now of the task force that...that Mr. Kramer is...is currently presiding over. That report will be back...made back to you both in terms of how much money and in terms of what the procedure will be next week.

SENATOR BARKHAUSEN:

Is it anticipated, as far as you know, that what they will be recommending will be...will be assistance in retiring bonds, or do you think they will be looking for some additional operating support as well?

MR. HANNON:

Sir, I...I think it's...I think it's premature. We feel, as we've stated, it's premature to say what the package will be, but we do believe that we can continue to operate in the



black and not looking for subsidies in terms of the McCormick Place or expansion.

SENATOR BARKHAUSEN:

But you will continue to be looking to the State for some operating support of the kind that you've been receiving thus far, is that right?

MR. HANNON:

For what we're receiving currently. But again, I think that it's...there is no increase and, as you know, the 1.7 is to retire some of the present money that was put up after the fire...or the original bonds, and then the...the money, the 4.8, is for Donnelley and some of the operating costs. The full package will be presented to you next week. We're not hiding from it, it's just that the package has not been put together.

PRESIDING OFFICER: (SENATOR BRUCE)

Further questions? Senator Mahar.

SENATOR MAHAR:

Yes, thank you, Mr. President. Other than the increase in space which will allow you to have continuous shows and actually expanded shows, how do we...how do we stay on top in view of other states? Do...do other states...excuse me...offer continuous subsidies? Are we looking forward to continuous subsidies for, as far as Illinois is concerned, to...to stay on top? And I...I follow your logic in being on top is the place to be.

MR. HANNON:

Sir, the McCormick Place probably has the best fiscal record in terms of needing the least amount of money in order to operate. Practically every one of the new halls that has been built has been tied to an operating cost for the subsidy that would float with the operating costs. We're not suggesting this at all. We're saying...we're saying, what we can do is if the hall is built that we can operate in the

black on an annual basis without a subsidy for this new hall. Most of the other halls are subsidized heavily.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Mahar.

SENATOR MAHAR:

How do you know that...excuse me...that after we...you have completed the expansion of the program that you will be able to keep the hardware show, for example, keep the automobile show?

MR. HANNON:

Well, I think that the automobile show is...the automobile show is something else. We could probably put somebody in there to generate some revenue if the automobile show went to another hall. So that's...that's here. In terms of the other super shows, they are begging for any kind of increased help they can get, and in fact they have testified previously that an expansion of McCormick Place will indeed mean a very long-term investment by these associations. Some of them might leave but we think that with some of the eighteen to twenty new shows that have given an indication of wanting to come in, we can keep this hall filled domestically and internationally.

PRESIDING OFFICER: (SENATOR BRUCE)

Further discussion? Senator Rigney.

SENATOR RIGNEY:

There's one thing we haven't discussed about shows and I was kind of wondering, I...I notice something happening in the last couple of years in the field of agriculture in that now that we have all of these various convention centers throughout Illinois, we're finding a lot of agricultural trade shows, these regional shows, popping up in these convention centers throughout the State. People can drive in there within an hour's time, they don't have to hassle downtown Chicago traffic, they don't have to stay overnight in an

expensive hotel, they can drive home at the end of the day.

I was wondering if...if there's any evidence that there might...some of the other industries might follow the lead of what I see happening in agriculture here and...eventually, instead of these super shows, we might go more to the regional concept.

MR. SHEERIN:

Senator,...the...the point is well taken. There...there is regional, there is a breakup of...of some of the shows but there is a proliferation of the shows as well, as the economy nationally has developed. As it's developed within specific geographic areas...this has been true. But it has not impacted the...the...the real bell cow of the major trade shows. The major trade shows at McCormick Place are growing at a compounded ten percent rate, that's against the national figure of seven percent. We have all of these details to work with. There are regional shows. There is an expansion of the economy, and the trade show as an industry is the most effective way to sell major products or even minor products as we deal in the gift show. Then we have these histories that develop and it is true, but that's the development of the economy. The real economic impact then spreads through the State. As the...as the other convention facilities throughout the State and throughout the country have developed on that basis, there are regional shows, there are local shows. And what Joe Hannon was making reference to is the attraction from other areas, the visitor, the traveler. There is going to be certainly recognition of keeping their costs down as they go to local or regional shows where they can drive and go back home within in one day. That does not impact your major show, there are splinters.

PRESIDING OFFICER: (SENATOR BRUCE)

Further discussion? Senator Netsch.

SENATOR NETSCH:

Yes, if I might. I have three fairly brief questions. One, has anyone attempted to break out the nature of the...the twenty thousand permanent jobs that will be added to the economy in the Chicago metropolitan area?

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Duran.

MR. DURAN:

Yes, Senator. In your packet you have the documentation of both of the five thousand initial jobs created in basically what might be called the tourism industry as well as...as...as a rough...yeah, I think that one, and I'd be glad to speak with you afterwards.

SENATOR NETSCH:

All right. I...I couldn't find it initially, so I will look for it then.

MR. DURAN:

We can certainly supply it to you.

SENATOR NETSCH:

Secondly, and perhaps...I don't know to whom this question would go. Are the physical plans for the location of the expansion and the relationship to parking and...and the highways and all final, so that we can look at something and know exactly where it is going to be and how much room it's going to take up and where it relates to the Lake Shore Drive and that sort of thing?

MR. DURAN:

Yes.

SENATOR NETSCH:

All right.

MR. DURAN:

Ready to go out the door on July 1 and finite to a state of...of design that we have a fair estimate of...of what price is. The entire area is a seventy-five acre site that includes parking, the necessary truck marshalling of about

fifteen acres, bus marshalling, et cetera that extends both in and around the facility.

SENATOR NETSCH:

Is...is there a...there is not a diagram of that, I believe in the materials that have been...

MR. DURAN:

I don't believe there is to...of sufficient detail, but we can get it to you.

SENATOR NETSCH:

All right. One third question. You have in your projections thirty-one million for land acquisition. Is that all air rights or who...whose land is it that we are going to be acquiring?

MR. DURAN:

The contract for land acquisition is a single contract between the MFEA and the Illinois Central Gulf Railroad. The properties necessary for acquisition are about...are...a hundred...a hundred...excuse me, eighty-seven percent land and the...and the remainder in...in air. The most critical portions are, of course, where the facility is actually located. The...the majority of the land is parking, surface parking, surface truck marshalling, et cetera.

SENATOR NETSCH:

But all of it is owned right now by Illinois Central, is that correct? So they are the only purchaser...I...I'm sorry, the only seller that...

MR. DURAN:

They are the only seller the the MFEA is dealing with for land acquisition.

PRESIDING OFFICER: (SENATOR BRUCE)

Further questions? Senator Smith.

SENATOR SMITH:

Thank you, Mr. Chairman and to members of the committee assembled. In keeping with what Senator Netsch has

just...asked, I myself...I'm...I'm very much excited about this expansion for McCormick Place and I want you to know that. But as you stated that there would be thousands of jobs available, and I think I heard Mr. Garrett say that in his presentation that there will be bids for contracting, and I'd like to ask you, at this stage right now, do you have any criteria about which minority contractors could be considered?

MR. DURAN:

We have...as managing...as management of this expansion project, there is already in place a mechanism for minority participation on contracts, and we'd be glad to share the details of that with you.

SENATOR SMITH:

Thank you, kindly.

MR. DURAN:

I might mention on the...as a close. McCormick Place is not competitive with other facilities throughout the State as...as a trade show facility. And that was answering the Senator's question.

PRESIDING OFFICER: (SENATOR BRUCE)

Further...further questions? Thank you, very much gentlemen. We will now shift to the second part of the three-part program before the Body today and that is State-wide tourism. The first presentation will be by Mr. Donald DePorter, President of the Greater Chicago Hotel and Motel Association and Midwest Regional Vice-president of the Hyatt Hotels Corporation. Mr. DePorter.

MR. DePORTER:

Senator Bruce, Senator Nedza, thank you for having us here today. I would like to hold my remarks until after we show a presentation of "The Buck Stops Here," and we can go anytime. Lights out, please.

(Film of "The Buck Stops Here" shown)

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. DePorter.

END OF REEL

REEL #3

MR. DePORTER:

The...the State of Illinois is...is a fine product and I feel that with a proper marketing of the State, we can bring in fresh dollars to the economy and create many, many entry level jobs in the visitor industry. Thank you.

PRESIDING OFFICER: (SENATOR BRUCE)

Thank you, Mr. DePorter. We will take questions at the conclusion of this presentation of the people that have made a presentation. Is Mr. Richard Godfrey here, the Mayor of the City of Normal? Very good.

MAYOR GODFREY:

Ladies and Gentlemen, your day is long and I will try to keep my remarks brief. I am pleased to appear before you today in support of the program to appropriate State funds for the promotion of tourism in the State of Illinois and also for the expansion of McCormick Place in Chicago. I speak today not only as Mayor of the City of Normal, but also as chairman of the McLean County Economic Development Council, which is a coalition of the governments of Normal, Bloomington, the County of McLean, the Rural Government League in McLean County, labor and private business. Our purpose is to further the economic expansion of an area that, as many of you know, is already the...one of the most prosperous in the State and the Midwest. Let me predicate my remarks by noting that Normal-Bloomington is a community of eighty-five thousand population that does not have a direct stake in this legislation that is being...contemplated, but we do have an indirect and compelling interest in any proposal which would expand the visitor industry in our State, because in Normal-Bloomington, we have an extremely, healthy, privately supported visitor effort with tens of thousands of persons coming to our community every year. Their brief presence leaves many dollars in our community, dollars that



multiply to create more business, more jobs, more construction and more tax revenues. As most of you know, Normal-Bloomington is a transportation hub of the State within three hours driving time of sixteen million people. Obviously, we are in a position to take advantage of an expanded visitor industry in Illinois, not only from a tourist standpoint, but even more importantly, what such a program can mean to us in attracting new economic developments, including business enterprises and industry. Each visitor is important to us, not for only the money which he or she spends while in town, but for the potential which that visit might have. That visitor might, just might, be connected to an industry seeking to relocate. If that person never comes to our community, that connection likely never will be made. The question one might raise of this point is, why should the Mayor of Normal, one hundred thirty miles from Chicago, be in favor of a State appropriation that admittedly would have a beneficial effect on Chicago. The answer is this, from a downstater; the destinies of Illinois and Chicago are intertwined. The economic future of one is the economic future of the other. A strong State of Illinois needs a strong Chicago; a strong Chicago requires a strong State of Illinois. But to be even more precise, if Normal-Bloomington and McLean County are to profit from a major growth in tourist and visitor dollars, we first have to get those visitors into our State. Then it is up to those of us at the local level to concentrate our efforts at getting the people into our communities, or, going directly to them. And that brings me to my support of the expansion of McCormick Place. The expansion of McCormick Place would provide our State with a new window on the world, tried as that phrase may be, but it would attract to Illinois not only millions of...additional visitors, but it would afford to persons like myself, interested in economic development, access to the representatives

of corporations from throughout the world, corporations which participate in trade shows. I have already discussed with Joseph Hannon, from whom you just heard, about the possibility of downstate cities being accorded space in McCormick Place during trade shows for the displays for the cities where they can distribute materials to acquaint exhibiting corporations with the attributes of business or industrial location in a Normal-Bloomington, a Kankakee, Peoria, Champaign, Carbondale, Streator, Springfield and so forth. The use of McCormick Place as a medium to carry our message of economic potential of our cities and our State is an opportunity that can repay us many dividends. The McLean County Economic Development Council has already made such trade show contacts, with a degree of success that has encouraged us to expand that effort. A vastly increased McCormick Place can be yet another building block in the revitalization of the economy of the State of Illinois. Literally, it can bring the world's corporate structure to us. It will then be our charge to market ourselves effectively as a State and as individual communities to these visitors. In closing, I would like to focus my remarks on the importance of a properly conceived, properly financed and properly executed promotion program of our State, to which Don DePorter just alluded. I do not need to tell you that the image of Illinois, in the Nation, in the world and here at home, needs desperately to be polished. The criticisms are often unfair, but sometimes they are on the mark and we need to correct our problems, even as we are informing the rest of the country and the world about our attributes. The need to improve that image was thrust home to me recently by a survey of McLean County industries that showed that while a vast majority viewed their local relationships very positively, only twenty percent would recommend to others that they locate in the State of Illinois. We need to change that image

*Remarks by  
Mayor Godfrey*

at home and elsewhere. We need to inform people about our strengths, at the same time that we are correcting our weaknesses. Other states have done so and this type of concerted program helped to make it happen. It became a coalescing force that brought improvements, even as it was bringing visitors. It is fine for the people on those states to urge that we "escape to Wisconsin," "say yes to Michigan," "wander Indiana," or even, inexplicitly somehow "love New York." But it is time to say to the world, "come and enjoy Illinois." Enjoy our cities, enjoy our cultural attractions, enjoy our recreation areas, enjoy our fine agricultural products which feed the globe and enjoy the rich opportunities for development in this heartland of America. Thank you.

PRESIDING OFFICER: (SENATOR BRUCE)

Thank you, Mayor. We will now have a presentation by the Department of Commerce and Community Affairs, Michael Woelffer, the director of the department and all-around ski instructor...

DIRECTOR WOELFFER:

I...unfortunately, that's not the case, I tripped out in Hawaii over a blond.

PRESIDING OFFICER: (SENATOR BRUCE)

Director Woelffer.

DIRECTOR WOELFFER:

...we prepared our testimony that we gave before the legislative task force into a twelve and a half minute presentation, and afterwards, Linda Simon who is the managing director of our tourism...department within DCCA and I will be happy to answer questions. Mayor Godfrey made one good point though, in that economic development and tourism are not separate and that they're one, and the tourism aspect is very important to us on building an image for the State or building a perception that we're a good place to locate

companies, and we view it as a extremely important part of our overall economic development plan. So with that, let's roll the show.

(Senate

views film)

PRESIDING OFFICER: (SENATOR BRUCE)

Alright, we have seen the presentation. Director Woelffer is here and Linda Simon is here. Are there questions on the tourism aspect of this program, and...and Mr. DePorter is available for questioning. Alright. Mr. Barkhausen...Senator Barkhausen, do you have a question? Alright. Senator Barkhausen.

SENATOR BARKHAUSEN:

Director Woelffer, how...how long has it been that the State has had some sort of active tourism promotion program?

DIRECTOR WOELFFER:

We've had on...on a small scale...as far as advertising, about three years and...three years ago we made the decision internally within our own budget to cut back on some of our administrative expenses and put that towards advertising. That's how we came up with the seven hundred and fifty thousand dollars which was for the first two years, and we raised it to eight hundred and fifty thousand last year. Overall, the State's had a program,...I think since the Act was put into the Legislature in 1978.

SENATOR BARKHAUSEN:

Well, doesn't it go back even further than that? I thought when the State used to have...it was at the...Department of Business and Economic Development, wasn't there a Division of Tourism within that?

DIRECTOR WOELFFER:

It was...yes, that was created in...in I think...the date is 1978 with the...with the Tourism Promotion Act.

SENATOR BARKHAUSEN:

Because I am interested in...and certainly encouraged by all of the studies that are cited in the reports and in the...in the testimony and in the films that we have seen, but it...it does seem a little bit strange that...that all of a sudden we're being barraged with this evidence that...its incremental increase in tourism promotion can reap all this additional...all these additional dollars for Illinois, when the State has had some sort of a tourism promotion program for many years, and this evidence has never been cited to us before.

DIRECTOR WOELFFER:

I...I think what you're seeing around the country is an awareness that a State, just as any business, has to get out and promote itself; and within the last two years, not only in the economic development field but also tourism, states have realized that, and Michigan in the depths of their recession went out and assigned six million dollars for tourism advertising and are starting to see the results already. The states are becoming aware of it. I think we're a little bit behind in Illinois. We've had a good tourism program, it's the basic building blocks to go from here so that we have publications and places for...or people to get information, but we don't have the money to...to put the image of Illinois out in people's mind and that cost a lot of money in advertising.

SENATOR BARRHAUSEN:

And...I...I saw what was being spent in other states, what...what are you...what is DCCA proposing to budget for tourism in the coming fiscal year?

DIRECTOR WOELFFER:

Our...I think our bill is in at the same level as last year plus whatever growth we feel is coming out of the Tourism Promotion Fund, probably four...4.2 million, I think, and then...and we're...we're proposing this that we, as a State,

need to step up to the...issue and decide whether or not we're going to try to create a perception in people's mind out there that Illinois is not only good for economic development but also tourism, and are we...are we up to the challenge of doing it. We're going to have to invest some money within the State if we're going to compete out there. We can't compete against Indiana and Michigan and Wisconsin by sitting back here and sending out the Illinois Book twice a year to three...three hundred thousand people. That's not how you sell the product and tourism is a consumer product, and you've got to convince people that you've got something to offer them and build some excitement on your State.

SENATOR BARKHAUSEN:

You would be proposing to spend most of this additional money on advertising?

DIRECTOR WOELFFER:

All of it. Strictly an advertising budget and we'll take care of the administrative...

SENATOR BARKHAUSEN:

T.V., radio and newspaper, all three?

DIRECTOR WOELFFER:

Yes.

SENATOR BARKHAUSEN:

Newspaper and periodicals, I should say.

DIRECTOR WOELFFER:

Yes. The main focus is on the electronic media which we've never been able to afford in Illinois in that it's a...a tremendous expense to run T.V. advertising. It reaches the most number of people and it's the most effective way of communications that people can not only see but they can also hear and...and almost touch what...what the image you're trying to get across.

SENATOR BARKHAUSEN:

And what markets do you think you'll be advertising in?

DIRECTOR WOELFFER:

We've identified that the place where people come from is within Illinois itself, a majority of our travel industry is within Illinois and within a five hundred mile radius in the major metropolitan areas; and so that ten million dollars we feel is enough to do a fairly significant ad campaign in those where we can at least get a...like a gross rating point of seven or eight times the people seeing an ad on Illinois, and you can start building a perception of what we are in Illinois.

SENATOR BARKHAUSEN:

So, you wouldn't be, say, doing much advertising in...in, say, New York City?

DIRECTOR WOELFFER:

Well,...again, the proposal is within five hundred mile radius. We're also at the same time trying to work with our private sector in that hopefully we, as a State, with a...with a place like C'Hare Airport can come up with a similar program like New York had, where they tied in with their private sector. They had...America Airlines put up a substantial amount of money to help further the funds along. We've been very successful on doing it on a small scale with our economic development print ads, with communities participating, businesses participating with us, we think we can do it on...in tourism with the major airlines, with the hotel industry and people to...to take that ten million...dollars and double it or triple it in its effect out there in the marketplace.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Grothberg.

SENATOR GROTHBERG:

Thank you, Mr. President. A question of Director Woelffer. In 1978, when we put on the five percent hotel tax,

is that we're talking about?

DIRECTOR WOELFFER:

Yes.

SENATOR GROTBERG:

I have not looked that Statute up, but was it dedicated toward anything in particular?

DIRECTOR WOELFFER:

The...the way the legislation is written is that a five percent hotel occupation operator's tax, I think is the correct title for it, was imposed at ten percent of the revenues generated from that tax would be placed in a special fund called the Tourism Promotion Fund.

SENATOR GROTBERG:

That's the way the Statute reads?

DIRECTOR WOELFFER:

Yeah, so we, in effect...spend ten percent of what's collected from the hotel-motel tax.

SENATOR GROTBERG:

And the rest accrues to general revenue?

DIRECTOR WOELFFER:

General revenue for the other programs.

SENATOR GROTBERG:

In...as you proceed with this what I think is a marvelous tourism program, it is the expansion of that is not related to a future hotel tax, it's related to more of the five percent, is that correct?

DIRECTOR WOELFFER:

I...I think when you look at what was presented here today with McCormick Place, the World's Fair, tourism advertising campaign...

SENATOR GROTBERG:

No...let's keep...confine it to the tourist.

DIRECTOR WOELFFER:

We can do it...if you give us ten million dollars, we'll



do it. We don't care where you get it from. How's that?

SENATOR GROTBORG:

Well, are we changing...is there...nobody has seen any of these magic bills yet. Is one of the bills before us to raise that to thirty-five or forty-five percent of the hotel tax?

DIRECTOR WOELFFER:

I...I have not seen any bills myself, and what we were trying to present is, here's what we could...here's the competition, here's what our program does at its current funding level and here's what we could do with ten million dollars, and...

SENATOR GROTBORG:

I think the question among many of us downstate types is giving more of what they should have had all along is not a new tax on anybody. If the five percent tax is on and only ten percent of it is going to tourism and we're going to upgrade that, double it or whatever it is to twenty or thirty or forty percent is well within the bounds of decency. Granted, it would shortfall the general revenue by an equal amount, and I understand that, but is your pitch connected to a...to the hotel tax concept for tourism?

DIRECTOR WOELFFER:

I would say yes and no, in that I...you know, I...I would believe that someone has got to step up and...and bear...bring some revenue to the State to do these...these programs, so...

SENATOR GROTBORG:

Thank you.

DIRECTOR WOELFFER:

...I think that's your decision on when and where it comes from.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Lechowicz.

SENATOR LECHOWICZ:

Thank you, Mr. Chairman. I am sure that everybody agrees the importance of providing additional employment...employment throughout the State. I'm sure everybody agrees with the tourism aspect and the positive impact it has on all the people in Illinois and the tremendous benefit and revenue that it generates. Michael, I was wondering if you can give us some details in reference to the financing of the State Fair, the financing of McCormick Place, the exposure factor to the taxpayers of Illinois and how it relates to those bills.

DIRECTOR WOELFFER:

I think there's a very good study out on the financing of McCormick Place and the past history of where the revenue has come from, which we can get a copy to...to you on. The financing of the...the State Fair, I...that's under the Department of Agriculture, so I'm not sure where that comes from.

SENATOR LECHOWICZ:

Well, I was wondering if you had any...we just received today this...intergovernmental cooperative agreement which my copy is not signed, and I was wondering if you had any input in working with your department on those two other aspects, and if the study that you're going to submit to us is current, has been updated and exactly what the exposure is on the dollars and cents; and as far as the State...the World's Fair, I'd like to also ask if the area has been changed from...it was originally submitted to us four or five months ago, and I'd like to have that information before we're voting on any of these bills. I think that the purpose of the Meeting...of the Whole is laudatory, and I think we've gone through the promotional aspects of the positive nature of Illinois, but I thought that the purpose of this meeting was for those three different items, and I really haven't heard any details and I'm asking for some details.

DIRECTOR WOELFFER:

I think...I think it's going to be presented later when World's Fair gets up and...and starts talking. I think John Kramer has headed up the whole intergovernmental agreement between the...the State of Illinois and the City of Chicago, and I'm sure he has those and if...I'm not sure...

SENATOR LECHOWICZ:

So you really can't answer those questions?

DIRECTOR WOELFFER:

No. We have only worked on the tourism part.

SENATOR LECHOWICZ:

Alright, thank you.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Lechowicz, the...the task force is...is at the point of...of the financial arrangements, and the purpose today is to bring before the Body the various components and what they desire in the structure; and once we've determined exactly what it is that everyone is requesting, then we will bring a package back to this Body and tell you...or ask you as it relates to the financing of those particular items. Thank you, Director.

DIRECTOR WOELFFER:

Thank you very much.

PRESIDING OFFICER: (SENATOR BRUCE)

And, Senator Lechowicz, you brought up a point...we're going into the World's Fair aspect. Distributed to each of you has been the...the Journal of the city council. We have decided to distribute that particular edition of the intergovernmental cooperation agreement because it shows you, as we do with legislation, the deletions and the alterations and the corrections, but once that document which is being signed today by the State of Illinois, it will be reprinted but we thought you would like to see what has been added and changed in the process. But that it is the...that...that copy as

changed by those deletions is what will be signed. Alright.  
Senator Lechowicz.

SENATOR LECHOWICZ:

On that point, Mr. Chairman, the financial aspect is not included in this documentation, is that forthcoming?

PRESIDING OFFICER: (SENATOR BRUCE)

Yes, it is.

SENATOR LECHOWICZ:

When can we expect to receive that?

PRESIDING OFFICER: (SENATOR BRUCE)

We are meeting this evening at five and tomorrow morning at eight o'clock and...

SENATOR LECHOWICZ:

Doesn't this have to also be approved by the city council and the City of Chicago, and that aspect is supposed to be submitted to us as well?

PRESIDING OFFICER: (SENATOR BRUCE)

Well, with the...the financing arrangements will determine whether or not the City of Chicago will in fact have anything to sign or agreements to make. That would anticipate some cooperation from them.

SENATOR LECHOWICZ:

My understanding is that this document is not complete, and I'd like to have somebody from the City of Chicago...primarily a member of the city council respond to my question, if that's possible.

PRESIDING OFFICER: (SENATOR BRUCE)

Alright. We...we will see if we can get someone to respond to the question of whether or not that is the complete agreement. We will now go to the third aspect of the reason for the hearing Committee of the Whole today, and that is the 1992 Chicago World's Fair. Is Alderman Stone here? We will begin with a presentation by the Honorable Bernard Stone, Alderman of the 50th Ward of the City of Chicago and

*Remarks by  
Alderman Stone*

Chairman of the Committee on Special Events and the World's Fair. Alderman Bernard Stone.

ALDERMAN STONE:

Thank you, Mr. President. Senators, it's my distinct pleasure to appear before you, primarily to tell you that the City of Chicago is unified with respect to the intergovernmental cooperative agreement between the State, the city and the World's Fair. In anticipation of...Senator Lechowicz' question, may I say that the Mayor executed the intergovernmental agreement last night, and it is my understanding that the authority and the Governor are in the process of executing the agreement at this minute. I have to go down and sign it. Mine is going to be very short, but I certainly will be more than happy to respond to any questions. The question has been raised with respect to why did it take so long. May I say to you that the city council received the document from the Mayor on April 25th, and...but in anticipation, we did hold hearings starting last October and through almost the entire month of May, and we attempted to produce the document as quickly as possible, and I think, we...we did so. May I also say that during the course of the hearings on the documents, we met with representatives of the Mayor, with representatives of the Governor and with representatives of the authority continually. It was an open process and a cooperative process in which we reached this...this stage. One of my colleagues will appear before you today speaking in opposition. He was one of the two members of the city council that yesterday voted against this document, while thirty-six members of the city council voted for this document. I think that's, in itself, speaks louder than any words that I can say to this Body. With respect to the questions that have been asked with...on the finances; at the time of my presentation to the council yesterday, I indicated that this was a planning document and it is a planning document. It does

not address the financial responsibilities. I think that is the process which you are embarked upon today. The task force as yet has not responded with respect to cost, nor how do we meet those costs, and I indicate to you, as a Body, that that will be the response which I think is primarily presently under consideration in this Body. With that, I believe that presents the...the situation from the aspect of the...the vast majority of the city council.

PRESIDING OFFICER: (SENATOR NEDZA)

Alright. Thank you, very much, Alderman Stone. They, I believe, are waiting for you for the signing. So if we...you would be kind enough to return after that so the Body can address any questions to you, we'd greatly appreciate it.

ALDERMAN STONE:

Thank you, very much, Mr. President.

PRESIDING OFFICER: (SENATOR NEDZA)

Alright. We'd now like to call upon Mr. Robert G. Gibson, the President of the State Federation of Labor, the State of Illinois. Mr. Gibson.

MR. GIBSON:

Chairman Nedza, Chairman Bruce. The 1992 World's Fair for Illinois gives us a once in a lifetime chance for economic growth and for rekindling of pride and confidence in our State and in our midwest region. We need to take bold action to reverse some very disturbing trends that we're all familiar with. We've lost jobs and businesses to the sunbelt states for various reasons, but the fact is, we've been losing the psychological battle also; and I believe that the World's Fair, if we all pull together, can be the key to turning it all around, and I know we can't...answer every question about the fair today. Obviously, we can't be precise about every cost and benefit of such great undertaking that will not be complete until well into 1993, but there are some pretty good ideas about the likely direct benefits of

the fair. The chief regional economist for the First National Bank of Chicago has estimated that the fair would bring 2.2 billion dollars in new spending to Illinois, a seven billion dollar expansion in the State's economy, a hundred and forty thousand new jobs, a billion dollars in new taxes of which four hundred and fifty million would go to State and local governments. For the men and women that I represent, there would be thousands of new jobs in construction, transportation and services, and people want to get back to work and stay working. Additionally, there would be a good deal of related development, but perhaps even more important and lasting than the direct jobs and tax revenues from the fair will be the golden opportunity to showcase Chicago, Illinois; the midwest and America. We need to bring all of the world here to see what we have; the most abundant agricultural system the world has ever known, the best transportation complex in the world, unequalled natural resources of water, soil and skilled, friendly people who want to work, and some of the best universities on earth, access to art, music and other cultural, recreational resources that should be the envy of the world; and above all, the picture of free, hardworking people who have confidence in themselves and their future. Thank you, very much for the opportunity to appear before you this morning...this afternoon.

PRESIDING OFFICER: (SENATOR NEDZA)

Thank you, very...very much, Mr. Gibson. Are there any questions? Senator Maitland.

SENATOR MAITLAND:

Thank you, very much, Mr. Chairman. Mr. Gibson, those of us on the task force have been following with interest the presentations that have been given to us over the preceding weeks and have entered this with a very open mind. One of the things that we feel could...that could greatly change the cost of the overall program as we look toward 1992 would be

the...the problem with...with labor and the unwillingness to continue on with construction as we approach that date, which could greatly change the figures that we have before us now with regard to the fair in particular. I'm wondering what kind of a commitment might you make to this Body today and to the State of Illinois in general as to how labor would cooperate as we move toward that date of 1992?

MR. GIBSON:

Thank you, very much, Senator Maitland. I can tell you that it was the labor movement, headed by President Bill Lee and the Vice-president Ed Brabec and Tom Nader, who is here from the building and construction trades to a breakfast meeting with the International Bureau of Expositions and pledged to them at that time this very request that you're...you're offering. That...the history of the labor movement and the construction industry especially in the City of Chicago has been a good one. The record is there. It speaks for itself and it certainly would continue these...these arrangements that are already in place would continue in the interest of accomplishing this World Fair to meet any kind of construction deadlines that were there.

PRESIDING OFFICER: (SENATOR NEDZA)

Senator Maitland.

SENATOR MAITLAND:

Thank you, Mr. Chairman, just a follow-up question. Is...is this then a commitment that there will be no shutdown as we move toward that date, no...no labor disputes as we...as we move toward zero hour?

MR. GIBSON:

Well, there are all kinds of preconference...pre-job conferences that go on...between the contractors and the building trades. I can pledge you that the officers and...and representatives of those trades have pledged their commitment to make this thing work.



PRESIDING OFFICER: (SENATOR NEDZA)

Any further questions? Thank you, very much, Mr. Gibson. We will now proceed into the third portion of our presentation and that would be the World's Fair Authority, and I would like to call upon Mr. Frank Considine, the Deputy Chairman of the World's Fair Authority, President and the Chief Executive Officer of National Can Corporation. Mr. Considine.

MR. CONSIDINE:

Thank you, Mr. Chairman. It's nice to be with you this afternoon and tell you about what we think will do...an event that we think will do a lot for the economy of the State of Illinois and Chicago. We have an opportunity to showcase the city and the State, and we're certain that it will provide a cultural and entertainment and educational experience that will be once in a lifetime for many people. Now in order to move this along, I'm going to cut down on some of the things that we planned on saying, but I want to ...in introducing the people that will follow, we want you to know that we're here to explain, to tell you about the fair, answer the questions as best we can; and, hopefully, that you will hold your questions till all of the presentation has been made and then we will have time for questions. But I want to assure you that we have, during the past three years, brought in experts in all the fields that we're involved, so that when we say that...that we have an opinion or we're giving you an opinion it's based on the opinion and...of...of experts, the best talent available in the field and I will introduce...those to you...persons to you now. First of all, I'd like to introduce Don Petkus and a member of the World's Fair Authority, a director and...and Vice-president of Commonwealth Edison Company who will give you an overview on the World's Fair for 1992. Don.

MR. PETKUS:

Thank you, Frank, and good afternoon. For the next few minutes I want to give you an overview of what a World's Fair is and how the 1992 World's Fair came to be organized. As Frank said, a World's Fair is a very unique opportunity, a very unique event. It occurs about only once in everybody's lifetime. They cannot be duplicated a World's Fair, by a theme park, by television or by regional festivals. A World's Fair is really a catalyst for development and growth in Illinois. I want to talk a little bit about the background of our organization. Our existing effort represents some four and a half years of work and an investment of over six million dollars. In this time, we have achieved significant, enthusiastic...significant and enthusiastic support from the public sector and the general citizenry of our State. In 1980, hundreds of organizations endorsed the concept of the Chicago World's Fair; additional support came from local, State and neighboring governments. A public opinion survey showed that eighty-eight percent of your constituents favored the idea of a World's Fair. Our first major accomplishment was securing domestic approval. We secured that approval from both the Department of Commerce, the U.S. Department of Commerce and, ultimately, from the President of the United States. Our "Age of Discovery," the theme of our exposition, prevailed over the likes of Miami, Florida; Columbus, Ohio; Flushing Meadows, New York; Sacramento, California and Oklahoma City, Oklahoma. The next milestone was the international approval. We obtained this from the Bureau of International Expositions, a treaty organization is headquartered in Paris, France. The BIE is made up of some forty-seven nations, each representing their country's interest in the arena of World's Fairs. Our application was the model, the standard the BIE has called it, to which all subsequent applicants will be measured against. Representatives from the BIE visited our State and were very

impressed with our area's beauty and its vitality, as well as our people's work ethic and determination. In keeping with our proven tradition, the concept which we ultimately received BIE approval for is new and revolutionary; one exposition in two sites, Sevilla, Spain and Chicago, Illinois. Although the exposition is still eight years away, 1992 is really tomorrow from a planning standpoint. Marketing, especially internationally...international marketing, needs to begin immediately. Technical studies and designs need to be completed. Major capital commitments begin in 1985 with the procurement of material. Site construction is scheduled to start in Spring, 1986. Now, what is a World's Fair? There are primarily types of World's Fair but they're radically different. The most common exposition that has occurred in the United States since World War II has been the special category or single-theme fair, New Orleans in 1984, Knoxville in 1982, and we also have Houston, Spokane, Seattle. Vancouver, Canada is planning one of this magnitude in 1986. These are typically very small and they have themes that restrict the types and size of the exhibits. Their purpose is that of usually securing urban renewal; they're urban renewal generated goals. And the fair that we're planning for Chicago is of the largest category, the universal category. The last universal exposition on the North American continent was in Montreal in 1967, Expo '67. The last universal category fair anywhere in the world was in Osaka in 1970. In 1992, fifty-three years will have elapsed since the last universal exposition was held in the United States of America. A universal exposition's primary purpose is the cultural and educational experience to enhance world understanding and dialogue. Let me take a minute to contrast some of the large exposition...one of the large expositions to one of the smaller ones. As far as Osaka, the last universal category exposition, they had one hundred and twenty-three

exhibitors; Knoxville had twenty percent of that, twenty-four exhibitors. Internationally, Osaka had seventy-six countries participating in their World's Fair. If you count...each of the common market countries as one, which is giving the benefit of the doubt to Knoxville, they had thirteen. As far as visitors, Osaka had sixty-four million in an area that is similar to Chicago as far as density of population; Knoxville had thirteen million. As far as the area, a universal category fair in Osaka was eight hundred fifteen acres; Knoxville was eighty-five acres. So this gives you...an idea of what the difference is between a Knoxville or New Orleans and the type of exposition that is being planned in Illinois in 1992. We're expecting fifty-five million turnstile clicks. We're expecting to put this fair on an area of six hundred and fifty acres. And as I said, we're very similar to the population density that they had in...in the area of Osaka. You have to remember that one-quarter of the United States' population resides within a one-day's drive distance of the City of Chicago. Some of the previous fairs that we've had in Chicago I think are very good examples of how to organize and how to conduct a World's Fair. Let's take a moment to reflect. The Columbian's...Columbian exposition, the World Columbian Exposition of 1893 occurred twenty-two years after a fire leveled the City of Chicago and it was on the heels of...of a financial panic. The exposition's primary purpose was to demonstrate the City of Chicago's maturity, beauty and sophistication. In the years preceding the 1893 Fair, the State of Illinois had to fight much like we do, fight hard in the domestic arena to get the right to host the world in Chicago. They had to overcome the likes of Washington D.C. and New York. This is where the name "Windy City" comes from. Our predecessors in lobbying for the right to host the world were deemed by these competitors from New York and Washington as being very windy and has the true origin of the

term "Eindy City." How many visitors came to the fair in 1893? Twenty-eight million. It was on six hundred and eighty-five acres. It had a master architectural plan, it was called the White City. The World's Columbian Exposition really set the...destiny of Chicago and was an economic success. Chicago's second universal category exposition, "A Century of Progress," was held in 1933 and 1934 in the depths of depression. The fair was Chicago's centennial celebration and major attractions were the displays of scientific and technological achievements. Forty-nine million people went through the turnstiles over the two-year period. It took place on four hundred twenty-four acres, and it uplifted the spirits of people at that time in a very depressing era in our history; and like its predecessor, the Columbian Exposition, it too, was a financial success. When the Age of Discovery opens in 1992, it will have been fifty-nine years since midwesterners, and again, you have to remember that twenty-five percent of our nation's population live in this area which we call the midwest, have had an opportunity to participate in a World's Fair. This is borne out by our research; research that show that although eighty percent of your constituencies have heard of World's Fairs, only one out of ten had ever had the opportunity to visit one. The idea of a World's Fair in 1992 is to showcase the attributes of Illinois and to further establish the State's principal city as a world-class city. Regardless of what we may think, our State's principal city's image abroad is still that of primarily an Al Capone. When the BIE people came here in May of 1982, they were surprised. Their experience was not at all what they had expected. It was not in keeping with what they had been told, what they had been read about Chicago and about Illinois. Our economics, as I said, are based on fifty-five million turnstile clicks, which we believe to be a very conservative estimate. Montreal's planners had estimated

arrange of attendance between twenty-six million and forty-five million, with thirty million being the most...practical and planning guesstimate. When the fair closed its gates, the actual attendance was fifty-one million, so they surpassed their estimates by some twenty-one million turnstile clicks. Our six hundred and fifty acre site will be marketable both to visitors and to exhibitors, which is very important if we are to achieve the projections. It is a beautiful site and it is marketable. The Age of Discovery will result in increased commerce, increased industry and in tourism, all of which translate into thousands of jobs. There will many other residues that will be highlighted by our next...presentation given by Nina Klarich, an economist with the First National Bank of Chicago.

PRESIDING OFFICER: (SENATOR NEDZA)

Mr. Considine.

MR. CONSIDINE:

Thanks, Don, and before Nina Klarich comes up, I want to tell you I neglected to tell you, at the outset, I'm substituting for Tom Ayers who is in the Governor's Office signing the agreement at this point, and Tom will be along in...in just a little bit. And now, it's a great pleasure to introduce Nina Klarich, Vice-president of the First National Bank. Nina.

PRESIDING OFFICER: (SENATOR NEDZA)

Ms. Klarich.

MS. KLARICH:

Good afternoon. The body of literature analyzing events of the scope and magnitude of the World's Fair is very sparse. There are only a few studies that can be used as either a jumping-off point for economic benefits analysis or as a benchmark against which to measure your analysis. In addition, the economic benefits of the 1992 World's Fair will begin to have an impact on the Illinois economy with the

onset of site preparation and construction in 1986, will reach their maximum in the 1991-92 period, and will be felt residually long after the fair. This prolonged time frame over which the benefits stream is to be realized further complicates the impact analysis. With these factors in mind, the initial economic analysis that was done on the World's Fair and the one included in the Program Update focused solely on the impact of construction expenditures of the 1992 Corporation. This was, admittedly, a very narrow slice of the picture and excluded many significant factors. However, it was in conformity with the conservative approach to numbers generation that has been the guideline for all of the work of the 1992 Corporation. As we become more enmeshed in the World's Fair, it has become apparent that we have been significantly understating its impact. Therefore, in this presentation, we made an attempt to broaden the analysis, to factor in the considerable impact of the spending that will be introduced into the Illinois economy by visitors to the fair. Thus, my discussion today covers the effects, really, of two expenditure streams: the on-site construction outlays of the World's Fair Authority and the dollars spent by attendees at the fair. Before going into details on the impact statement, I think it should be stressed that this analysis is derived mainly from data that pertain to either the Illinois economy or the Chicago Metropolitan Area economy. Average spending by the pleasure visitor to the Chicago area, for example, is the estimate that's generated by the Chicago Convention and Tourism Bureau. The multiplier we applied to that spending is the one utilized by the Tourism Bureau and verified by the Illinois Department of Commerce and Community Affairs. Our construction sector multipliers were derived as part of the Economic Impact Forecast System at the University of Illinois. We didn't have access to, and not many people do, an input-output model of the State, which

would have enabled us to measure more directly the impact of the World's Fair economy...of the World's Fair on our economy. In the absence of this model, we utilized a study prepared by the Department of Management of Eastern Washington State College, to distribute the...the spending...for construction and tourism throughout the Illinois economy. However, I think it's important to stress that the Eastern Washington Study was used solely to distribute the impact and not to measure it. With these brief comments in mind, the tourism and construction spending associated with the World's Fair will have the following impact on the Illinois economy...I'm not going to go through the numbers since Bob Gibson used them, but go on to the next point which is that when you exclude the Federal Government, the major beneficiary from the perspective of tax receipts, by far, is the State, accounting for about sixty-five percent of estimated new State and local taxes. These revenues will be generated largely as a result of greatly enhanced personal income and retail sales and will flow mainly into the General Revenue and Common School Funds of the State. Since these funds support general government operations throughout Illinois, it can be said that the citizens of the entire State will benefit from the World's Fair. In any analysis of the kind that we've done, I think the tendency may be to focus too closely on the details of the numbers and insufficiently on the concepts behind them. Thus, I'd like to discuss briefly the strengths and weaknesses of the analysis as I see them. There's one major weakness that can and should be corrected as the analysis is refined over the next year or two. As I mentioned, the lack of access to an input-output model of the State makes it difficult to track the impact of expenditures through the economy. Utilization of such a model would permit more accurate measurement of the jobs and tax impacts, in particular. On the other hand, there are a couple of fac-



tors that suggest that this analysis understates the overall impact of the 1992 World's Fair. For example, the per visit expenditures by attendees from outside the metro area are estimated at a hundred and twenty-five dollars, exclusive of the admission ticket to the fair. This figure is probably low on the basis of both today's standards and what people are likely to budget for a visit to such a major event as the World's Fair. Excluded is some two hundred and forty-five million dollars in estimated construction expenditures by foreign countries, states and others who will build their own pavilions rather than rent space from the authority and additional on-site outlays from concessions and other structures. This spending would represent...if it were at two hundred and forty-five million dollars, it would represent a seven hundred and fifty-one million dollar expansion in the State's economy. Also excluded is the impact of new real estate development to the south and west of the fair site. Once again, if these expenditures totaled, hypothetically, a hundred million dollars, the overall growth in the State economy would be nearly three hundred and twenty-one million. Finally, because of the size of the fair, I think the simulations we've run undercount the employment that would be available at the fair during its operations. At an average wage of six thousand dollars and with an estimated employment undercount of ten thousand, State personal income would increase by about sixty million. I've been asked to touch also on some of the residual benefits of the fair, and I think it's difficult to discuss these in any detail in the brief time remaining to me, but I can touch on the broad categories and cite a few benefits in each. The first major category, of course, is the direct physical residual benefits, which include a new high access major public recreational area incorporating cultural institutions, outdoor exhibit facilities, land and water sports and a quiet zone on

the lakeshore for all Illinois residents; a new center for...for metropolitan and regional performing arts, perhaps utilizing the U.S.A. Pavilion and the Chicago and Illinois exhibits as permanent programs for the development of arts and cultural for the midwest; the possible conversion of blighted...underused railway freight trackway located in Chicago's front yard to first-class public and private land uses. In addition, there would be a number of indirect physical residual benefits for which the...direct fair investment could act as a catalyst. These include long needed transportation improvements to strengthen access to and the operational efficiency of Chicago and northeastern Illinois, neighborhood stabilization and improvements, including opportunities for new prototypes in urban community planning and housing for all income levels; opportunities for construction at the fair site of regional public sports, cultural and recreational facilities. Finally, and this is I think maybe even more important, are those benefits that don't fall into the bricks and mortar category but are no less important. These include the opening of our lives into the variety and richness of human artistic and societal achievements from around the world through the cultural events that will be offered at the fair, symposia hosted by State-wide public and private educational and cultural institutions that will make major contributions to our knowledge of the challenges facing mankind in the 21st Century and will enhanced Illinois reputation as a center of thought and learning; and finally, presentations at the fair and in communities throughout Illinois of the best of the arts and achievements of the citizens of the region which will add to the richness of our community life. The fair has within it not only the potential for providing an exhilarating, memorable, educational and enjoyable experience for everyone, but also the capacity to strengthen the State of Illinois and

the City of Chicago in the view of the world as a comfortable and enriching place to live and do business. It can establish a bright, new image of Illinois to service the foundation for the State's development in the 21st Century. Thank you, very much.

PRESIDING OFFICER: (SENATOR BRUCE)

Thank you, Ms. Klarich.

MR. CONSIDINE:

Mr. Chairman, I thought what we could do is ask Mr. Lavin...Mr. Lavin is one of the experts that's with us here today. He is partner in Pete Marwick and Mitchell, the accounting firm, and if he could go through his in the interest time and then we can get to the questions, I think that would be helpful, so he'll do it briefly, if you don't mind. Thank you.

PRESIDING OFFICER: (SENATOR BRUCE)

Thank you, Mr. Considine. Mr. Michael Lavin from Pete Marwick.

MR. LAVIN:

Thank you. Good afternoon Senators. I'll try to make this as quick as I can. The...before I review the detail assumptions that underlie the revenue and expense projections, let me quickly review the financial guidelines established by the 1992 Fair Authority. First, the exposition must be financially viable with sufficient revenues to meet all costs. Second, it should be consistent with the tradition of excellence established at previous Chicago fairs. Third, the projections must be reasonable and consistent with the experience of other universal category World's Fairs; and finally, plans and controls must be flexible, yet must maintain economic viability. The overall goal is to generate revenues that will meet all costs and yield a small surplus. The projections you will see are the result of continual updating and refinement by a number of qualified con-

sultants to the fair, including the First National Bank of Chicago, Arthur Anderson, King Cole Inc. of Spokane, the Peterson Thorson Planning Group and my firm, Pete Marwick. Let's take a look at the projected revenues. They come from nine major sources, as you can see, and they total eight hundred and ninety-two million dollars in 1983 dollars. The largest single category is that admissions revenue which accounts for nearly sixty percent of the total. Admissions revenues, as you would suspect, are dependent upon two factors; attendance and price. Taking a look at the total projected attendance of 54.4 million people, you see that approximately seventy-five percent of these visits come from within the Chicago metropolitan and one-day market. Let's take a closer look at that market. This slide shows projected population and market penetration rates. Penetration represents the average attendance expressed as a factor of population. Penetration comprises attendance ranging from visits...from no visits to dozens of visits per individual. Penetration percentage is decreased as the distance increases from the fair. You'll note that the primary market penetration is 3.0, and let's take a look and see how this compares to other recent North American fairs. The projected primary market penetration of three is less than the average for these previous fairs and in fact, if one eliminates the anomaly of New York, it is considerably less than the average. Let's also look at a comparison of the total projected attendance to other recent universal category and similar fairs. Again, the 54.4 million fits within...well within the range with Osaka at the top. Now let's take a look at ticket prices. The retail ticket price upon which the projections are based is twelve dollars and fifty cents for adults, ten dollars for seniors and juniors. This is reasonable compared to other U.S. visitor attractions. It should be noted that higher ticket prices could be assumed without

reducing the projected attendance; however, the plan was to keep the admission prices low as possible in order to permit as many people as possible to enjoy the fair. The total projected admissions revenue shows an average ticket price of nine dollars and fifty-four cents. This is lower than the retail prices for two main factors; one, free tickets for children under the age of six; and secondly, a ten percent allowance has been provided for various promotional discount programs that would be anticipated. Again, the total projected revenues from tickets, five hundred nineteen million. The next major category of projected revenues are on-site spending for food and beverage, retail, rides and amusements and in-grounds transportation. These projections are based on per capita spending. Taking a look at the average per capita spending, you see that each visitor is projected to spend a total including ticket price of eighteen sixty-seven. If you exclude the ticket price, that leaves nine dollars and thirteen cents for food, amusements, souvenirs and transportation. Again, it should be understood that these estimates are quite conservative. Compare them, for example, to your own most recent visits to ballparks, amusement parks and other visitor attractions. Let's also see how this projected per capita spending compares to other recent fairs. It's fifteen percent lower than the average for the six fairs shown on the slide.

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REEL #4

MR. LAVIN: (cont.)

Projected visitors spending in 1992, fair authority's share is based on gross revenues less the vendor's share, and as is customary, the vendors keep a portion, the fair authority keeps a hundred percent of admissions and transportation, twenty-five percent of rides, twenty percent of food, beverage and retail. In total, the on-site spending plus admissions come up to six hundred and fifty-one million or seventy-three percent of the total projected fair revenues. The next category of projected revenues are exhibitors rentals and charges. Exhibitors rentals and charges total eighty-seven million dollars, nearly sixty percent of which will be from land rentals and forty percent from building rentals. Land rentals include both rent and users fees and assume 4.1 million square feet of rentable land, most of which, almost ninety percent, will be used by either industrial/commercial or international exhibitors. Rent, by the way, has been set at about one-third above the price at Osaka in 1970. User fees have been set...have been set equal to Knoxville. Again, a conservative assumption comparing the Knoxville market to the Chicago market. Building rentals also include the two categories, rent and user fees, and assume six hundred thousand square feet of building rentals. This is because many industrial and commercial exhibitors will choose to build their own space. Next category of projected revenues are sponsorships and licenses, and entertainment and television rights. Sponsorships and licenses include both cash and capital contributions, incoming products, services and advertising, royalties from use of the fair logo and name; in total we're projecting sixty-four mil-

lion. One means of comparison is to look at the Los Angeles Olympics for 1984 where the comparative figure projected is about a hundred and fifty million. Entertainment and T.V. rights includes ticketed events that will use Soldier's Field, off-grounds productions that could be produced for the fair and which later could tour downstate and nationally. Cable television rights, we're projecting thirty-seven million here. Again, the...compare it to an Olympics...the 1984 Los Angeles Olympics, television rights were two hundred and twenty-five million. The total of sponsorships and licenses and entertainment and T.V. come to about twelve percent of the total revenues projected for the fair. This is conservative. Historically, fairs have yielded at least ten percent generally in excess for these categories and that's before some of the creative thinking that come...has come out of L.A. and before the new technologies such as cable and satellite that are now going to be available to us. Final category of projected revenues labeled the original State advance. This was done when the program update was prepared in the fall of 1983, and it contemplated the continuation of the one percent hotel-motel tax in order to help with the cash flow needs necessitated by the fact that expenditures must take place now where most of the revenues don't come in until towards the fair in 1992. Important to note that the expectation, of course, is that this...advance would be reimbursed from the surplus currently budgeted at eighty-five million dollars. That completes the revenue side of the equation. The key points to note are that the assumptions are reasonable but they are conservative throughout. Taking a quick look at the operating expenses, these are based on the experience of other recent North American fairs. Operating expenses include administration costs, such as general management, financial, legal and so forth; marketing costs including advertising, public relations, ticket sales,

licensing and sponsorship costs and other promotional activities; site planning and operation which do not include capital costs; and finally, entertainment, activities to provide enjoyment both on-site and off to the visitors. Each category includes contingency factors or approximately ten percent. Important to note that almost eighty-five percent or two hundred and fifteen million of the total projected operating expenses will be spent within one year of the fair. This is important because it provides for ample planning flexibility. Let me conclude by saying that Illinois and Chicago have the enthusiasm and talent and creativity to plan, market and manage the largest World's Fair ever. This can be done in a fiscally responsible manner by adhering to the financial guidelines outlined earlier. Through sophisticated marketing and management systems, the fair authority will be able to balance capital costs and operating expenses to anticipated revenues. If we're able to raise more money than planned through ancillary sources such as sponsorships, then we'll be able to reduce ticket prices and still comfortably cover the costs. Thank you.

PRESIDING OFFICER: (SENATOR BRUCE)

Thank you, Mr. Lavin. That concludes the presentation and I believe that Mr. Considine would like to make a summation and then we will entertain questions.

MR. CONSIDINE:

Mr. Chairman, in the interest of time, why don't we go right to questions. I had some remarks that maybe sound like hearts and flowers to some of you, but maybe we'll...we'll get to that, but I think if we get into the...the...the questions it might be better at this point. Now we do have...Tom Ayers is with us here and we'll both field them, and we have with us also Ron Matarick the president of Shall Associates, and Shall Associates is the...a company that where construction managers for Epcot and the O'Hare expansion



project...very qualified and again that's expert assistance here for questions if...if you have any in that connection.  
PRESIDING OFFICER: (SENATOR BRUCE)

All right. If...if the Body would just indulge me for a moment. In the gallery are the State basketball champions from McLeansboro, Illinois, the Foxes. They had a thirty-five and nothing record. They are here with the cheerleaders. They had lunch at the Mansion. Because of our Committee of the Whole they were not able to come onto the Podium today, but they were nice enough to come and watch our proceedings. Would you please stand and be recognized by the State Senate. The State Champions from McLeansboro. Questions. Hearing none,...oh, Senator Marovitz.  
SENATOR MAROVITZ:

Thank you, very much, Mr. President and members of the Senate. I have a few questions perhaps Mr. Ayers could...could field. I'm concerned about several things, especially representing an area along the lake. One of my first concerns is what happens to facilities like Soldier's Field, the museums, the parking areas along that area, Burnham Harbor? What provisions have been made for these facilities? I have a follow-up question, but I'd like to hear your initial response.

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Ayers.

MR. AYRES:

We are working with the park district staff...we met with Mr. Kelly twice and we're working on how events can go on at Soldier Field during the fair. We also have a plan to move the boats now in Burnham Harbor to a new harbor and then to reestablish Burnham Harbor after the fair which would increase the number of docking spaces by almost a factor of three. We've met with the yacht club people with respect to this and they are enthusiastic about the plan. In other

words, we're in a planning mode, Senator, and I...every one of these things has not finally settled but we're hard at work with it.

PRESIDING OFFICER: (SENATOR EBUCE)

Senator Marovitz.

SENATOR MAROVITZ:

In that same vein, it is my understanding that the...the fair authority will pay for the relocation of the Burnham Harbor boats, and there are approximately a thousand boats, will pay for that relocation to the 31st new...31st Street Harbor. Is that correct?

MR. AYERS:

That's correct.

SENATOR MAROVITZ:

Okay. Now when that...when the fair is over and we are going to relocate back at the Burnham Harbor area, it is my understanding from the study done by the park district that the rebuilding cost to reestablish Burnham Harbor and the same thousand boats is approximately at...at...in...at 1992 costs, eleven million dollars to rebuild. Is the World's Fair Authority ready to make a commitment in writing to pay the entire rebuilding costs for that...of that eleven million dollars or whatever it happens to be to rebuild and reestablish Burnham Harbor?

MR. AYERS:

This is part of what we planned to make an agreement with the park district on. I do not agree with your eleven million dollars, but anyway, what...what the cost is is a cost of the fair.

SENATOR MAROVITZ:

Okay, so in other words, you...you do agree that the...

MR. AYERS:

That's right.

SENATOR MAROVITZ:

...it is a commitment of the fair to rebuild Burnham Harbor in 1992, whatever the cost happens to be for that same one thousand boats or whatever the present figure is.

MR. AYERS:

That's correct.

SENATOR MAROVITZ:

Okay. Now, perhaps we can talk a little bit about Soldier's Field and...and the museums and the parking areas and what would happen over there to events at Soldier's Field, to the museum income in...in terms of traffic, parking...have those alternative plans, since that is a very, very important and one of the...one of the finest parts of the entire city and one of the parts of the city that we're most proud of is our lake front, have...has there been written alternative plans submitted to the park district, the City of Chicago about Soldier's Field, McCormick Place, parking, the museums?

MR. AYERS:

The museums will be within the fairgrounds, and we have worked very closely with the museums and I think that it's fair to say that they, up to this point, are very happy with the situation. I think I said to you before, but I'll say it again, that so far as the parking for events at Soldier Field, that this has not been settled but that we've had meetings and our...our planning architects continue to meet with the...with the park district people. From our meeting that we've had with Mr. Kelly a couple of weeks ago, my guess is that we...that all of us think that this is a good possibility of solving in a way that allows the Bear's games to go on without great interruption, that other events at Soldier Field will also be able to take place.

SENATOR MAROVITZ:

Let me ask you this question as a practical matter, and as a very successful businessman running a very successful

company, is this something, these plans...these finalized and approved plans, is this something that you think we should put the cart before the horse? Should these plans be...be approved prior to...to moving ahead on...on final commitment and financial commitment on the fair, or should we be betting on the come on these things and...and hoping that we'll be able to come up with...with an agreement regarding sites, parking, traffic, relocation, redevelopment costs, et cetera?

MR. AYERS:

Well, Senator, if you take the whole thing, we're going to be several years before you get all of those settled, that's in the nature of it. This is a huge construction project and there's a lot of considerations that have to go into it. However, I think so far as the park district and the fair authority, that we could reach agreement with them in a reasonable period of time. We can't answer every last question that somebody can think of. It's just not possible because we're in a planning mode. We've had very little money to get going on this and, frankly, I think that the solution to these things depends our working closely with entities like the park district, the city and the State, and I believe we'll do that and I believe it will come out alright, but there's no way you can get all of those answers in advance.

SENATOR MARCVITZ:

I...I would concur with you. I would concur. We talked about the money...having very little money in the planning mode. It has come to my attention, and please correct me if I'm wrong, but since we're bringing everything out in the open, I think it's important before we make any commitments of the State of Illinois and the taxpayers' dollars that everything be brought out in the open. It's come to my attention that the fair authority is three hundred and forty-six thousand dollars over budget for the first six months of

their operation. Is that, in fact, true?

MR. AYERS:

That is not true. Now I was asked that downstairs, I wasn't at the meeting this morning, but Don Petkus was at the meeting, and I've since learned what they were talking about, and so I'll ask Don to answer it.

PRESIDING OFFICER: (SENATOR BRUCE)

Don Petkus.

MR. PETKUS:

Senator, when we put together our original budget, you know, so the first time through this and this was our first six-month budget, we had various line items and we allocated the monies that we had gotten, thanks to you, from the one percent hotel-motel tax in the County of Cook to various areas to the best of our ability. What we met to do today was to really readjust the budget to...between the line items. We are not over budget. We are spending only within the means of the projected tax revenue for the first six months which is two million twenty-two thousand dollars and we're right on target, but in individual areas we were...you know, low in some, we were high in some, but the total budget...we are not over budget, we're right on target.

SENATOR MAROVITZ:

Where did this three hundred and forty-six thousand dollar figure come from?

MR. PETKUS:

Your...your mention of it is the first time I've heard it other than from Mr. Ayers a few minutes ago, and I was at the meeting, there was not a three hundred and forty-six thousand dollar aggregate number talked about this morning.

SENATOR MAROVITZ:

So, it would...it would not...your...your categorization of it then is that, in fact, the projections...the first six month projections by the fair authority were not enacted by

some...a ball park sum of three hundred and forty-six thousand dollars?

MR. PETKUS:

Correct. The...the amount of money we budgeted to spend was...was two million dollars. We have lived within that means. In certain areas, like marketing, we have not, you know, spent hardly any money. In other areas, like the intergovernmental agreement where we had to, you know, go into deeper negotiations with the city and the State, we spent more than we anticipated, more in the site planning. So, in various line items there have been changes, but we are not over budget by any dollar, not one dollar, let alone three hundred and forty-six thousand.

SENATOR MAROVITZ:

Okay, I just thought this was something that should be brought out. Another question, Mr. Ayers, and I'm...I'm a little concerned about this perhaps more than anything. The...the...the projections...the revenue projections, and correct me if I'm wrong, we...we need fifty-five million people in attendance, approximately...maybe you want to correct me already, I could be wrong.

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Ayers.

MR. AYERS:

Fifty-five million turnstile clicks.

SENATOR MAROVITZ:

Okay. That's right.

MR. AYERS:

That may be a little different than fifty-five million people.

SENATOR MAROVITZ:

Okay, fifty-five million turnstile over the six-month period, is that the break-even figure?

MR. AYERS:

No, on that basis, we would make about eighty million dollars.

SENATOR MAROVITZ:

Okay, now at that...at that figure and...and with the projected entrance fee, I am...I understand that we're talking about approximately a hundred and fifty dollars per family per day, projecting that that family would come to the fair four different times. So we are projecting six hundred dollars per family for the fair, is that right?

MR. AYERS:

I...I...we're not projecting that, but I'm going to ask Nina Klarich to comment on that.

PRESIDING OFFICER: (SENATOR BRUCE)

Ms. Nina Klarich.

MS. KLABICH:

Could...could you phrase the question again, I...I was...six hundred dollars per family?

SENATOR MAROVITZ:

It is my understanding that we are projecting approximately six hundred dollars per family for the fair.

MS. KLABICH:

We weren't...we were not projecting that, no. What we...what we projected were some cost figures about what it would attend...what it would cost for a family to go to the fair and how many visits a person would have to make to go to the fair. The six hundred dollar number, I think, was based on population figure that was different than the fair authority has been using. We...you saw the penetration numbers that we had that slightly different than having to make four visits to the fair by everyone in the metro area.

SENATOR MAROVITZ:

Okay, but if we...but if we projected out your attendance figures, and...and used the population of the City of Chicago, the County of Cook and perhaps some of the surround-

ing collar counties, and I'm not sure how many collar counties...

MS. KLARICH:

No, it's a hundred mile radius of the City of Chicago...

SENATOR MAROVITZ:

...fine, okay.

MS. KLARICH:

...that's the number that's in there.

SENATOR MAROVITZ:

If we projected that out with your attendance figure and the...and the revenue figures, it seems to me, from...from...from facts that I have seen, that that translates into a hundred and fifty dollars per family coming back four times.

MS. KLARICH:

No, it doesn't, because the population numbers within that hundred mile radius are larger and, therefore, we're drawing from a larger population base. Each family would come fewer times...or each person would make fewer visits than suggested in that analysis; and I think there's another point that needs to be made, you're using 1992 inflated dollars. Incomes will be inflated also, so that a twenty-five thousand dollar income today is forty-four thousand dollars using the same inflation rate, so we may as well talk in 1983 dollars.

SENATOR MAROVITZ:

All right...

MS. KLARICH:

We don't have to talk in 1992 dollars.

SENATOR MAROVITZ:

...in...in whatever dollars you want to talk about...let me...let me ask you this question...

MS. KLARICH:

...well, this just makes them equal, that's all.



SENATOR MAROVITZ:

...fine, okay. Let me ask you this question. Then, for my simplistic mind, would you break down your...your attendance figures, how many people you...you expect and...and how much you're going to charge per person and...and what this is...what we're going to need.

MS. KLARICH:

I'll be glad to do that for you.

SENATOR MAROVITZ:

Would you do that?

MS. KLARICH:

Yeah, but I can't do it right here. I mean, give me a calculator and...

SENATOR MAROVITZ:

It...it seems to me...

MS. KLARICH:

...I mean, I didn't do that analysis.

PRESIDING OFFICER: (SENATOR BRUCE)

Excuse me, Ms. Klarich. Excuse me, Gentlemen and Ladies. If we could take the conference off the floor, we will be able to proceed in an orderly fashion.

SENATOR MAROVITZ:

The...the billion dollars in revenue that we're talking...

MS. KLARICH:

Yes.

SENATOR MAROVITZ:

...again, and I'm not sure, is that the break-even figure or is that the eighty million dollar figure profit that Mr. Ayers is referring to?

MS. KLARICH:

No, the billion dollars...which billion dollars of revenue are you talking about?

SENATOR MAROVITZ:

Well, that was...that was some of your projections, a billion dollars in revenue.

MS. KLARICH:

...eight hundred...yes, I guess that's the...I'm sorry, I'm getting...

SENATOR MAROVITZ:

...that's okay, that's...

MS. KLARICH:

...because I'm not sure what number we're talking about. I projected...

SENATOR MAROVITZ:

Well...maybe you could tell me, what...what is our projected revenue then? That's a simple question.

MS. KLARICH:

Oh, projected revenue, I didn't do the revenue estimates. I'm sorry, I have done...I have done the tourism spending estimates.

SENATOR MAROVITZ:

Okay, well, who...whoever...whoever can give me that answer.

MR. LAVIN:

The total...the total projected revenue is...

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Lavin, if you'll just hold on just a second. Our transcription unit is going to go crazy if I don't recognize you and that...if we can just...that's all right, Michael Lavin of Peat Marwick, and then they'll know who you are when they have to transcribe it. Thank you.

MR. LAVIN:

The total projected revenue in '83 dollars is eight hundred and ninety-two million.

SENATOR MAROVITZ:

Okay, that's '83 dollars.

MR. LAVIN:

Yes.

SENATOR MAROVITZ:

And that's based on how many people, fifty-five million?

MR. LAVIN:

54.4 million turnstile clicks.

SENATOR MAROVITZ:

Okay, and that would...that would give us a profit on our fair?

MR. LAVIN:

Yes, a surplus of eighty-five million.

SENATOR MAROVITZ:

Of eighty-five million, okay.

MR. LAVIN:

In '83 dollars.

SENATOR MAROVITZ:

And...okay, now you talked about fifty-five million in attendance...to give us that...to give us that...that profit. Correct? How many...have you...have you broken that down into families and what it would cost? Is that possible? I don't know?

MR. LAVIN:

...I suppose you could do the calculation by some of the information I went over. The...the average ticket price...per person showed at nine dollars and fifty-four cents, if I recall right.

SENATOR MAROVITZ:

Okay, the...the...of the eight hundred million dollar in bonds that are going to be guaranteed by the State...and again, if I'm...if I'm wrong on figures just tell me, there's a lot of figures being thrown around here. Eight hundred million dollars in bonds being guaranteed by the State. This is just for the construction costs of the fair. Is that correct?

PRESIDING OFFICER: (SENATOR BRUCE)

Mr...Mr. Ayers, are you going to answer this? Thomas Ayers.

MR. AYERS:

You either have to stick with...with the six and a half percent inflation figure or the constant dollars because you keep shifting back and forth and it's hard for us to follow what you're talking about. Now, in order to put on the fair, we have to have a line of credit that somewhere in the eight hundred million dollar level. We think the fair is going to break even and make a little money. The Fair of '93...came out in the black, the fair in the depths of the depression came out in the black, and we think we're as good as...our predecessors in that respect. Now, you keep talking about the attendance figures, and I take it that you have some question about, but let's take...

SENATOR MAROVITZ:

You're correct, I do.

MR. AYERS:

...yeah, all right, well, we'll spend as much time with you without taking everyone's time, but let me give you a simplistic example. At Montreal, which is a remote area from population center, they had fifty million turnstile clicks. That was the last...or that was the second to the last universal class fair. The other one was in Osaka, Japan, where the population is about...around Osaka is about like...one-day's drive from Osaka is about like Chicago. They had sixty-four million turnstile clicks. Now, there is no guarantee that every...that someone is right and someone is wrong in this, but we have tried to be very careful, drawing on other experiences of like attractions to come up with a figure. Now, if fifty million people will go to Montreal, which was remote from a population center, we think that our figure is very conservative. You had twenty-nine million people come to Chicago in 1893 when there was...Chicago,

twenty-two years before, it burned to the ground, there was no transportation; and yet the...the attraction was such and that's what we're talking about, that we'll be good enough to attract the people and now, we'd be glad to spend some time with your staff on pursuing these, but I don't want to tie everybody up with it.

PRESIDING OFFICER: (SENATOR BRUCE)

Thank you, Mr. Ayers. Senator Marovitz, your time has expired. What I would like to do is, I have a list of Senators who would like to ask questions and we can pick you up on the second round, if that would be all right. All right, I have Senators DeAngelis, Rupp, Keats and Senator Lechowicz had a question that he held for...Alderman Stcne. When you both are here, we'll get to that question. I have...Senator...Senator DeAngelis.

SENATOR DeANGELIS:

Democracy is wonderful. I...I think all of us are enthused about the economic impact. The concern that I have is the concern that occurs in many areas and that's the so-called inconvenience factor. I have to tell you that I represent south Cook County and eastern Will County, I-57 and the Calumet Expressway come into Chicago; and although the fair might increase the commerce of the area, there could be a decrease the other way because a lot of the people that live in my area come into the city by car, and...are there any...my question basically is, are there any provisions of creating alternate routes into Chicago during the construction and during the fair so we don't destroy the ability of people that come into the city to work or more importantly people who are coming out of the city to do some commerce in our area?

MR. AYERS:

That's a very good question.

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Ayers.

MR. AYERS:

Pardon me.

PRESIDING OFFICER: (SENATOR BRUCE)

That's all right.

MR. AYERS:

We have been working on a scheme for when the fair is in progress of park and ride; parking remotely from the fair area and riding to Chicago in buses or on trains, and we're only in the very beginning of that. Now as for coming into Chicago,...I see John Kramer is here, he knows more about that than I do and maybe you can talk to it, John.

PRESIDING OFFICER: (SENATOR BRUCE)

Secretary Kramer.

SECRETARY KRAMER:

Senator DeAngelis, the...we have already, in the Department of Transportation and at the BTA, given a great deal of thought to how we can assure that there is no ongoing disruption to the existing transportation system, so that it is just as easy for people on the southside to get downtown during the fair as it is now, if not easier. There are four basic strategies that we are pursuing to do that. One, is to make sure that all of the existing program work on the highway system and on the transit systems that serve the area are done long before 1992, and we're ahead of schedule. We won't have any expressway work going on like we do now, any ongoing transit work, so the system will be operating at full capacity. The second key strategy is that where we have got bottlenecks in the existing system now that need to be corrected and would be corrected in the normal course of affairs, that will be done and completed prior to the fair. One of the...offshoots of the fair already has been that the Federal Government has agreed largely on the basis of there being a World's Fair in Chicago to fund something that we

That's a very good question.

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Ayers.

MR. AYERS:

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Federal Government has agreed largely on the basis of there being a World's Fair in Chicago to fund something that we have needed in Illinois for the last thirty years, which is to eliminate the bottleneck on the Dan Ryan Expressway between the Chinatown area and the post office which is the biggest bottleneck on the whole expressway system. The final thing that we are doing as part of the ongoing highway program is making sure that the downstate highway links are done so the people who come to the fair will have an easy way to get to the attractions downstate as well as in the suburbs and in Cook County, and I think it can be made to work. And finally, and equally significant, is that the fair opening closing times will not conflict with the rush hour. Right now the transportation systems move a lot more people downtown to work than the fair will draw. So the key is to make sure that they aren't going to the fair at the same time as the bulk of the people are going downtown to work, and by having the fair open at ten instead of eight-thirty, you can guarantee that by having a lot of events late in the afternoon so that people don't go home during the afternoon rush hour, but either before or after you can assure that as well. So I think...the transportation challenges of the fair while significant are ones that we can meet and cope with.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator DeAngelis.

SENATOR DeANGELIS:

Well, the answer basically is that there are no alternate routes planned then. What you're going to try to do is to correct the bottleneck on the Dan Ryan, and from what I understand the Dan Ryan, and correct me if I'm wrong, right now is the busiest expressway in the United States and the world, and so what you're going to do...is possibly even overload it more. I don't know what...I know the area about the bottleneck you're talking about, but, you know,



ultimately that traffic gets compressed into someplace else and although you may...alleviate it for a short period.

SECRETARY KRAMER:

Well, Senator, when the...the traffic congestion problems on both the expressway system and the rapid transit system occurs between about seven in the morning and nine-thirty in the morning and between about four-thirty in the afternoon and six-thirty in the afternoon.

SENATOR DeANGELIS:

Well, I'll tell you...

SECRETARY KRAMER:

That's when the traffic is. If we can spread this out...these loads out and make the system as a whole more efficient, I think we can reasonably cope with it.

SENATOR DeANGELIS:

Well, John, I beg to differ with you. I...I would rather take my shots at driving with the people who know how to drive expressways at eight-fifteen and eight-thirty in the morning than to get on it at nine-thirty with those people who normally don't drive it, and I want to tell, you take your life in your hands at that time. I'd rather go down at the busy time than to get those people what weave in and out, they're looking where to get off at.

PRESIDING OFFICER: (SENATOR BRUCE)

All right, Senator DeAngelis, had you concluded your questioning?

SENATOR DeANGELIS:

...just the last thing is that a lot of the sales people can't do that, that's the problem. I prefer to take the train 'cause I go down there and get the heck out, but you have people that are going in the city to make calls and then going elsewhere after that.

PRESIDING OFFICER: (SENATOR BRUCE)

All right, thank you, Senator DeAngelis. I have Senators

Rupp, Keats and Holmberg. Senator Rupp.

SENATOR RUPP:

Yes, thank you, Mr. President. I trust that these fine folks will remember that we have been trying to get detailed information on funding and cost, and so it's rather refreshing when Mr. Lavin got up and gave us some actual figures, but the thing that...puzzles me, some other actual figures, supposedly your own authority figures, adjusted for the inflation and everything show that the total projected cost will be 1.4 billion. We had revenues estimated today of eight hundred and ninety-two million. That leaves six hundred million deficit. Now, as I said, please excuse us for being confused because we have not been given information, but that particular point seems rather obvious that there is a vast difference between what you are indicating as your total revenues and what the cost figures are that maybe we make....some of us make mistakes too. We have read some of this information that you've given us.

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Ayers.

MR. AYERS:

Well, let me just say that what you've done is...we have two sets of...of figures, one in constant dollars...

SENATOR RUPP:

(Machine cutoff)...we don't have one.

MR. AYERS:

...now, but let me just finish on...on the cost of the fair, one in constant dollars and revenues in constant dollars. We also have figures with an assumption of six and a half percent inflation for the cost of the fair and the revenues of the fair. Now, have you got that...

PRESIDING OFFICER: (SENATOR BRUCE)

Okay, wait a minute now,...that's all right, Mr. Lavin will answer and, Senator Rupp, if you would...if you would

turn to page 57 in the booklet that has been distributed...

SENATOR RUPP:

I...I haven't gotten to that one yet, I'm just on some of these other things.

PRESIDING OFFICER: (SENATOR BRUCE)

...all right, there are revenue figures that have been provided. All right, and his figures were generated and put in the book. Mr. Lavin.

MR. LAVIN:

The...the distinction is between the...the...the eight hundred...the eight hundred and ninety-two million was expressed in 1983 dollars. When you expressed the revenues in inflated dollars, the total is in excess of a billion five hundred million, so that it is an excess of the costs which are the...the billion four figure you're talking about in inflated dollars, and an inflated dollar is the surplus is about seventy-eight million.

SENATOR RUPP:

Fine. Thank you.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Rupp, had you concluded? All right. Senator Keats.

SENATOR KEATS:

Thank you, Mr. President. I wanted to check and see is...there was a piece of paper distributed it had twenty-six questions on it that...oh, the press has it. I know some of the legislators saw it. Have you seen that? 'Cause...what I'm wondering, just on that, I don't expect you to run down twenty-six questions, but it might be a good idea if we see some of that in writing sometime. A lot of us would probably read the answers to some of those questions. Let me ask you a couple of quick ones. Has the EPA yet okayed the hundred and eighty acre landfill? I remember northwestern used to be in my district and I remember what northwestern felt the

chances of getting that landfill passed were.

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Ayers.

MR. AYERS:

Northwestern did get it filled...approved too.

SENATOR KEATS:

I'm saying the chances now...

MR. AYERS:

But we have filed...or have a environmental impact study underway, and we've hired the contractor, he's been at work. We will get a preliminary report early next summer. We don't think that there's any problem. We've been working with people who are interested in the lake. We've been working with the corps of engineers in...in a preliminary way and we do not think that this will be a problem, but there is a possibility which we're working on that would lessen the...where we think it's a good possibility would lessen the amount of lakefill if we can buy certain lands from the Illinois Central Gulf Railroad that are on the west side of the tracks.

SENATOR KEATS:

Okay, just a...

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Keats.

SENATOR KEATS:

...following up on that a little bit, I just want to quick mention that, you know, there have been some discussion of the Coastal Zone Management Funds being used, et cetera or passing a coastal zone management bill for that. I would just throw out a tactful hint that you needn't respond to is, I would be seriously irritated...and we've defeated coastal zone management bills about four times that I can remember and abolished the department twice that I can remember in the eight years I've been here. Just a tactful hint, unless

you'd like to develop some rather strong opposition from several lake-front homeowners, I would not get involved in the coastal zone management program or expect significant funding from it. To a second effect in that area, the McCormick Place, I have never yet figured out how you can run this number of new people through, remembering that during certain parts of the year, McCormick Place takes up just about every hotel room in that area. Is there some massive new hotel construction or other things going on that...that, I'm sorry, that I have missed?

MR. AYERS:

Well, I think a lot of people will stay in the suburban wing all the way down to South Bend, Indiana and up into southern Wisconsin and come into the fair for the day, and I think that a lot families will want to come to the fair on the weekends and the weekends there's lots of rooms in the hotels. So that...we think that by any standard that we have in the...the Chicago metropolitan area, adequate housing for the people who want to come to the fair.

SENATOR KEATS:

Okay, I...

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Keats.

SENATOR KEATS:

...I was just going to say, in that area, I...I appreciate the thought on that, I just know the size of some of those trade shows at McCormick Place, and the thing I'm nervous about in the long-run is one of those trade shows deciding during that six months it'd be easier to be elsewhere, and I'd sure hate to have them say that each year after that. That's the problem we need you to reassure us on. You can't answer it on the spot, but I'm saying we need reassurance.

MR. AYERS:

Senator, there's one other aspect of it. We have thousands of dormitory rooms at the universities in the area that are scarcely used in the summertime, and a...I'm the chairman of the board at Northwestern and we've been into this with Northwestern, and they'd be delighted to make their rooms available in the summertime; and the same is true of Chicago and the other universities in the area, so that this gives us a...another group of routes for when the kids would be coming.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Keats.

SENATOR KEATS:

Okay, I'd...a last couple of points and I want to cover some quick...you know, this crowd estimate, I...I know we can go back and forth a lot, but with my pocket calculator, that's three hundred and five thousand five hundred and fifty-six people a day, seven days a week for a hundred and eighty consecutive days, and we occasionally have rain. I just want a hint knowing that...that the biggest day at Disneyland has only been a little over a hundred thousand. I mean, I'm just dropping a hint that...you know, there are a lot of us who have some real problems with that.

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Ayers.

MR. AYERS:

Well, now Disneyland, as I remember it, or Disney World, the magic kingdom, is on about a hundred acres of land, and we're talking about six hundred acres in this fair complex; and we have been down and talked to the Disneyland people at Epcot, at their invitation, and talked about crowd handling and they would like to be advisors to us on crowd...crowd...crowd handling and training of young people to do a job, we haven't given them any order, but they know an awful lot about it. Let...I think that...that our look

at this by people who know and we have another study going on now on how we get the people there, transportation study by DeLou Kather, that I think will give us some reassurance on this.

SENATOR KEATS:

Okay, then a last one quickly, because I don't want to go on, but I...we look at Meigs Field, somewhere in the book, I have not yet figured out how we've reopened Meigs Field which many of us fell is a fairly large asset of the City of Chicago and McCormick Place; and also there is an understanding that we have to return money to the Federal Government if we close that air field before a certain date. Have we budgeted the money we'd have to return and then the cost of reopening and...and then what the cost of McCormick Place and downtown are?

MR. AYERS:

We...in the intergovernmental agreement, we agreed to take the cost of restoring Meigs Field to the exact condition that it is at the time it's closed, and we have put money in our budget for that and we think that's an appropriate cost for the fair.

PRESIDING OFFICER: (SENATOR BRUCE)

Further discussion? Senator Holmberg and, Senator Smith, you will be next. Senator Holmberg.

SENATOR HOLMBERG:

I have some questions on transportation to and from the fair. I don't know if Director Kramer could respond or if you could. It's really a...a two-part question. First of all, I heard him speaking to the issue earlier, and I guess I want assurances for the Rockford area, one of the problems we have as we bring people out to Rockford to stay over night or for tourism and so forth is other than Chicago, the one place they would most like to visit is Springfield. In fact, all of the third world countries, I guess it is, number two in the

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SENATOR REATS:

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because I can hardly get there, and I wouldn't want them to have to travel on the highway. I know we're making progress.

SECRETARY KRAMER:

I think I hear something about U.S. 51 coming.

SENATOR HOLMBERG:

Could we be assured that that would be a viable four-lane freeway at the time that the World's Fair traffic comes upon us?

PRESIDING OFFICER: (SENATOR BRUCE)

Secretary Kramer.

SECRETARY KRAMER:

Absolutely, Senator...well, we...I can reiterate what the current construction timetable is on 51. It's all well in advance of 1992.

SENATOR HOLMBERG:

Very good. I just wanted that for the record...

SECRETARY KRAMER:

You have it. Do you want me to go into any detail?

SENATOR HOLMBERG:

No, that's fine...but I have another part of my question. One of the other things, as...as my mayor was speaking and as I thought about the possibility of utilizing the hotel rooms some eighty miles away in Rockford for the fair, which I think would be helpful, we have several railroad lines that come to Rockford and are not utilized for passenger traffic; and I'm wondering if this might be something that we could use as a goal to begin to utilize some kind of express service by rail that would take people right into the loop without the expense of parking, and I think there are probably other cities on the rim that do not now have commuter service that might be utilized for those several years, and it would help to boost the economy in some areas like Joliet, Rockford and places that are having a great deal of difficulty.

SECRETARY KRAMER:

Senator, that's certainly something we can consider. There is very good rail service to the...within the six-county area, so it would be about a forty minute drive from downtown Rockford to the nearest railheads that have just superb rail service to within a few blocks of the World's Fair site. So, we...we have services in place now that would provide a good transit alternative to the fair in addition to good highway access via the two toll routes, but let us...let us look at some more possibilities as...as well over time. I will say that I think Rockford and other Illinois communities, if they beginning planning now, as...as Evanston and Milwaukee and...and Gary already have for how they can take advantage of the World's Fair and how they can fill their hotel rooms, has a once in a lifetime opportunity...even without planning, we found here in Springfield during the Knoxville Fair that occupancy rates went up. People will drive to the fair. They will stay at fairly long distances away and if we can...if we can properly promote attractions in Rockford, and there are lots of attractions in Rockford, it may be very possible to get a significant number of people...not to go to Springfield, we'd love that too, but also to go to Rockford and see the Rock River Valley, go to Galena.

SENATOR HOLEBERG:

...can we talk?

SECRETARY KRAMER:

Yes.

PRESIDING OFFICER: (SENATOR BRUCE)

All right, Senator Smith.

SENATOR SMITH:

(Machine cutoff)...chairman and to the committee, I'd like to ask a question. May I preface my question first, I'm certainly in favor of the fair, Mr. Ayers, and I certainly

wish you much success, but I heard in your presentation much about projection on revenues and everything is very flowery and very nicely, but I want to ask you that what provisions, if any, have you made to hedge losses that might result from the lack of daily attendance that you expected?

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Ayers.

MR. AYEES:

Well, we...we have figured out that we would have a number of promotional prices for different kinds of and times of going to the fair and number of times you go for...to the fair, and we think that...that this is a marketing problem just like any other marketing problem; and I suppose that...that if...if we were having real trouble, why we'd have to do something about the price of the fair.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Smith.

SENATOR SMITH:

Thank you. The reason for my question was I was reading in the papers the other day about the fair from Knoxville and then...of some of the other projections, and I just wanted to be sure because I did not see it in your book here, just in case, and I wanted to bring that to focus.

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Ayers. Mr. Ayers.

MR. AYEES:

I didn't hear that last question. I had too much noise back here.

PRESIDING OFFICER: (SENATOR BRUCE)

All right, it wasn't in the nature of a question, I guess, it just...Senator Smith.

SENATOR SMITH:

It was merely a supporting statement to my question, Mr. Ayers. I merely wanted to find out if the authority had made

provisions, if any, to try to hedge losses just in case...there was a lack of attendance as you had expected.

MR. AYERS:

Well, we...

SENATOR SMITH:

...or did you have any other thing in mind.

MR. AYERS:

...we did our...as you know, we...we made our projections on an average price, considering all kinds of tickets, of nine dollars and fifty-four cents. Now, we think that this is low, but one of the things we would like to do about the fair is to keep the price as low as possible so the most people, particularly young people with their families, can go to the fair. Now, if you only go for a day once, the average price for an adult was, as I remember, twelve-fifty, but we will have promotional fairs of various kinds, perhaps church groups will take a big group to the fair and get a...a lower price, and those things were factored into our figures. Thank you very much for your statement.

PRESIDING OFFICER: (SENATOR BRUCE)

All right, any further questions of any of the witnesses? Senator...Senator Marovitz...a second time. Senator Marovitz.

SENATOR MAROVITZ:

Perhaps...this might be better directed perhaps to Mr. Petkus. I understand that we're talking about eight hundred million dollars in...in bonds, but I am also aware that there was some discussion on a recent T.V. show in Chicago that that was going to be one billion dollars in bonds. What is the figure? I...I think on...on a...on a recent Walter Jacobson show there was a one billion dollar figure mentioned, and we're talking here about eight hundred million. I know that's only two hundred million dollars, but it's a...

MR. AYERS:

That's a...that's a lot of money. Mr. Petkus, were you

cavorting with Mr. Jacobson?

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Petkus.

MR. PETKUS:

The estimate in our program update is for eight hundred and thirty-eight million dollars worth of debt. The inter-governmental agreement, the cost of that will increase that slightly, but where the billion dollar number came from is the amount of money that we should seek authorization for. It's not an expenditure number, it's what the investment bankers recommended be the maximum amount that we have the authority to issue.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Marovitz.

SENATOR MAROVITZ:

Then we shouldn't be talking about eight hundred million dollars, we should be talking about a billion dollars.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator...Mr. Petkus.

MR. PETKUS:

In...in the book, we've always talked about financing needs of eight hundred and thirty-eight million dollars, that's the...the number. We are in the process of looking at what additional costs the current intergovernmental agreement adds to that. It will increase that number, Senator, slightly and we do not know at this point how much.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Marovitz.

SENATOR MAROVITZ:

And consistent with that, in the...in the intergovernmental agreement that was just ratified by the city council, there is some substantial additions in there in terms of costs; such as the cost of water and sewers outside the fair grounds itself. What do you anticipate those water and sewer

costs being...those additional water and sewer costs and...and what do you anticipate that adding to the cost of the fair itself?

MR. PETKUS:

Well, the way the water and sewer in the intergovernmental agreement is that we agree to pay for all the water and sewer necessary to serve the fair site. We have always agreed to that and we have budgeted for that. The difference in understanding, that's something we will work with the city. We will go along with their standard method of estimating what are the costs of providing that water and sewer. We...until they do that, we will not know a true cost. I mean, we will get credit for the...we'll have to pay for the unused life of existing water mains if they have to be replaced. That engineering is not complete yet. We think in our budget we have adequate allowances for the water and sewer cost, but until the City of Chicago engineers a plan, we will not exactly know, you know, what those costs are.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Marovitz.

SENATOR MAROVITZ:

This additional language was put into the intergovernmental agreement that was not there before, so this is additional obligation that you've recently agreed to that you didn't have when this original dossier was prepared. Is that correct?

MR. PETKUS:

No, it is the interpretation of counsel. It is really the same end result. The language is such that it...it just clarifies what was meant in the original language more. It says, but for the fair, we will pay for everything that is caused by the fair.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Marovitz.

SENATOR MARCVITZ:

(Machine cutoff)...ask you the same thing about Meigs Field, and I know you were just asked and...and...and answered, but some additional language was put into the intergovernmental agreement regarding Meigs fair, and I know you have to rebuild it to the...to the...the way it was at the time of closure; but if, indeed, FAA obligations in 1992 are different than FAA obligations and requirements in 1983 or 1984, and therefore your requirements are greater, has that...as a result of new language in the intergovernmental agreement, has that been built into the cost projections and if not, what would those additional cost projections be?

MR. PETKUS:

Well, we agree to return Meigs Field to the condition, as far as runway, signalization, control tower, as we find it. In addition to that, we're told that any FAA changes in rules and regulations that are of general applicability to all fields of that type, you know, would be something that we would have to be responsible for. We've looked back, we've consulted with the experts, you know, what types of changes occur normally in a five to six-year period, and we find that they are minimal, so we really...we can't predict, you know, what the future changes might be, but based on history, they do not appear to be significant.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Marovitz.

SENATOR MARCVITZ:

I have just two more very short questions.

PRESIDING OFFICER: (SENATOR BRUCE)

All right.

SENATOR MAROVITZ:

Two more very short questions. One, I...I understand that the New York Fair was not the same category of...of fair that this is, I understand that, but the fact that it was a

New York Fair and this is the Chicago Fair, and we have that kind of a...a population center, I think means that we have to take a look at that fair. That fair, as I understand it, the visits per family was .8...that was the final result of the fair that not every family visited the fair but it was a .8 visit per family. Taking that in a population center like New York and...and using your figures of 2.5 or three visits per family, doesn't that cause you some concern about our projections when your talking about a population base like New York where the people there...the populous there don't understand the difference between a category of World's Fair like we have here and one like was in New York?

MR. PETKUS:

No, it doesn't concern us, and there are two things; A, New York did not have the support going into their fair in the planning stages that we have in Illinois and in the metropolitan Chicago area. Their research did not show the type of enthusiasm for the event that we have in...in northern Illinois. The other thing, sure they don't realize the difference between a World's Fair, and what Robert Moses did in New York was not a World's Fair. The thing that's different is because we have gone through the four and a half years with the BIE and we have a universal class fair that is recognized internationally as such, we will have forty-seven member nations of the BIE participating for sure. This draws people. Moses said, the heck with that process...Robert Moses in New York, and they did not have but one country there, so the people had nothing to go see, they did not have the experience that we envision having for people in Chicago. It was a trade show, it was not a World's Fair, it was not a cultural and educational exchange.

SENATOR MAROVITZ:

Okay, my last question is this, the...the two hundred million dollars in redevelopment cost, at least in the...in



the area around the lake front, perhaps the hundred and eighty acres of landfill and the island that is going to be turned over to the park district, I think, the...the redevelopment costs...will all those redevelopment costs be borne by the World's Fair Authority?

MR. PETRUS:

What we have agreed to with the park district up to this point is that at the conclusion of the World's Fair, we will remove the buildings, we will remove the debris, we will return the site to a grassy area, leaving an infrastructure, leaving in the landscaping and et cetera. Now as we enter into this negotiations and entering into an agreement with the park district, you know, that may change. At this point, there really isn't a concrete plan on how that site will be developed subsequent to the closing of the World's Fair.

SENATOR MARCVITZ:

My concern just...and I want..I want to preface this because I know Mr. Ayers is looking at me and Mr. Considine is looking at me. I am totally in favor of this fair, totally in favor of it...the questions may not sound that way, but, obviously I am responding to some questions I have from my constituents along the lake. Their...their concern is if...if we have two hundred million dollars or X million dollars in redevelopment costs, and nobody can give you an actual projection in redevelopment costs, okay, and...and...and the park district has to assume that responsibility, then we are going to be taking away funds from every other area in and around the City of Chicago, and they are all going to be jeopardized.

MR. PETRUS:

First of all, your numbers are gradually exaggerated. The park districts, you might say, utopian plan, when they dream they had a...on the site a golf course, a conservatory, a senior citizens' center, a handicapped children's center,

they had new beaches. When they priced that out, and this was their...their total dream, it was eighty million dollars and we know from that it's going to go down. I think we have to negotiate with the park district and we have to see really, you know, what, you know, will be left, but in our budget is to return the site to a useable urban park, grassed areas, parking, roadways, infrastructure; water and sewer, electricity, gas, telephone...will remain.

SENATOR MAROVITZ:

My only concern is that...that it is useable because just returning an island with roads, with grassy knolls and everything else is great, but if there's nothing you can do on it, you know, then we're all going to suffer.

MR. PETKUS:

It would be useable as a park area and, of course, we have to work with the park district further.

PRESIDING OFFICER: (SENATOR BRUCE)

All right. If there's no further question, Mr. Ayers, do you have any closing comments?

MR. AYERS:

I'd like to call on Frank Considine to just wrap this up for us. We appreciate your indulgence and we've tried to be brief, and I hope that we were responsive to your questions.

PRESIDING OFFICER: (SENATOR BRUCE)

Mr. Frank Considine.

MR. CONSIDINE:

Thank you, and I'll take just a minute, if you don't mind. You know, when we embarked on this program for the World's Fair, we did expect some opposition from time to time. We expected people to ask questions, and you're asking the questions, and we think it's appropriate. We hope that these deliberations have been...or hope that these responses have been helpful in the deliberations that you had, but let me tell you just a little bit about the mechanics for the

next six months and why we need your support and why we need your support now. President Reagan has to send invitations out to all of the countries to participate in this...in the fair.

PRESIDING OFFICER: (SENATOR BRUCE)

May...may we have some order, please...if we can take our...our conversations off the Floor, we will conclude here in...in another fifteen minutes. Senator Keats, if we can get your attention and we will wrap this up. Mr. Considine, please continue.

MR. CONSIDINE:

As I was saying, President Reagan has to extend invitations to various countries throughout the world and we...he doesn't...he won't do that unless we know we're in business and that we're going forward, and that's what we need your help for. In addition to that, we have to undertake a marketing program...we have to undertake a marketing program to get these countries to participate, and what we're saying is that we don't want to lose the momentum that we have. We also have to undertake contracts and do some further planning. We have to get our organization put together, and this is extremely important. We want to get moving so we can avoid overtime at the last minute. You've seen what the press has said about New Orleans at the last minute, the overtime that went in there. We are at a point today where we must begin to move ahead or we will be incurring overtime expenditures. Now, you've given us a World's Fair Authority and we thank you for it. You asked us to put on a...a world class World's Fair, so to say, a universal class that can be an outstanding event and be good for the...for the State and the city and good for the people in it and will create a number of jobs, a number of first experience jobs for young people. A finance package that you're all interested in is being developed, and we're confident that there will be some

way to work out a...this finance package that may combine some State and even some private sector participation. This is something that could be considered, but certainly we're convinced that the benefits to the State and the city and the people in it will outweigh the cost and even the risk that we talked about. We're interested in presenting Chicago and the State of Illinois, the largest exporting State in the...State in our country, to the world for the next century. This is an opportunity that we should not lose, and we need...we need the enthusiastic support from this Legislature and from this Body of distinguished Senators. So, we're asking you for the support, we hope you'll give it to us, and thanks very much for your time this evening.

PRESIDING OFFICER: (SENATOR EBUCE)

Thank you, Mr. Considine. We have on our agenda additional presentations, one by the Honorable Martin J. Oberman, the Alderman from the 43rd...Ward of the City of Chicago. Alderman Oberman.

MR. OBERMAN:

Mr. President and Ladies and Gentlemen of the Senate, thank you, very much. I am honored to be here. It's a pleasure to participate in a deliberative legislative Body where order and decorum are maintained and...and where true...deliberations can take place. I will try to be brief and...and allow as much time as...as you'd like for some questions, but I do think some matters need to be cleared up. I had issued a fairly detailed critique of the numbers proposed by the World's Fair Authority that we had to date, and copies of that statement, I think, have been handed out to all of you, and I will try not to be repetitious, but let me say a couple of things in general. You have been told that the City of Chicago...and the northern part of the State is united in its desire to have a World's Fair, and you were told that yesterday at the council meeting, we adopted the

intergovernmental agreement by a vote of 36 to 2, but I think that those of you who know something about the Chicago City Council should reflect on this fact; two members were absent, ten members of the council, twenty percent of wards of our city, walked off of the floor rather than vote for this intergovernmental agreement. That shows me a great deal of reservation and, indeed, my colleague, Alderman Stone, and the others who spoke on the subject and who voted for the agreement, two, a man and woman got up and said that they weren't convinced that this fair was a good idea, but let's go ahead from there. No one got up at the city council and said it was a good idea. What's really happened yesterday in the city council is that we, in Chicago, put...tossed the ball down here and put the entire burden in your laps because you are being asked to come up with the money, and I have no doubt with some guarantee by the taxpayers of this State, to get this fair off the ground. Now let's talk a little bit about the numbers. I had the advantage of...of sitting through two long days of hearings in the city council where we had all of the distinguished witnesses that...or most of them that you had here today, and we had at a full opportunity to cross-examine and ask questions about the numbers that appear in...in their World's Fair Book, and all of the analysis that I did was based on the numbers which they put forward. Now let's just go through that a little bit because some of you, I think, have seen many of the same...short...shortcomings in their projections that were seen by members of the city council. They say that they have to have 54.4 million people come to this fair in order for it to work, and I think, Senator, you pointed out that's a little over three hundred thousand a day. It is not true that Disney World is smaller. Disney World and Epcot Center together and their entertainment areas are over eight hundred and sixty acres and their biggest day ever, according to

information I got yesterday, was a hundred and fifty thousand. We have to do twice that much every day. Now, they tell us that twenty...of this 54.4 million, 28.8 million of those people are going to come from the Chicago metropolitan area, and you've got to pay close attention to who's telling you what figures because the change all the time. When Mr. Ayers and Mr. Considine and the people from Skidmore, Owens and Merrill and Mr. Fetkus were at the city council, I asked them if that 28.8 million was, indeed, based on the Chicago metropolitan region population of 7.1 million people, and they said, yes, everyone of them said, yes, and they agreed that that would be an average of about four and half visits for every man, woman and child in the Chicago area. Now, today, for the first time...for the first time, we are told that, no, the 28.8 million visits is really going to come from a hundred mile radius. I guess they didn't like the fact that it didn't seem to make sense to many of us that every man, woman and child in the Chicago area would go to the fair four and a half times. There are a lot of reasons why that doesn't make sense. Number one, you can take '84 dollars or '92 dollars, let's take it either way. In 1984 dollars, according to their own book, the adult admissions price is supposed to be twelve-fifty; two parents, that's twenty-five dollars; the child admission is ten dollars; two children, twenty dollars or forty-five dollars to get in the gates. Each person is supposed to spend nine dollars and thirteen cents on food and tee shirts and so forth; that's another thirty-seven dollars; parking, they don't tell us but figure five dollars which is pretty cheap in Chicago, and you're up to eighty-seven dollars for a visit in 1984 dollars. Now, that compares, by the way, with the Sun Times travel editor who just returned last week and wrote a long article in the May 20th travel section about his visit to New Orleans, and he said that you can't go through the New

Orleans Fair in 1984 dollars with a family of four for less than a hundred and seventy-five dollars. So, you can decide to believe the World's Fair projections that in 1984 dollars a family of four will cost eighty-seven dollars, I don't, but let's take the eighty-seven dollar figure anyway. You multiply that times a little over four times and the average Cook County area family, and that's at least the six-county region, Wheaton and DeKalb and Elgin and all these people, are going to be expected to spend about three hundred and thirty...three hundred and forty dollars in one summer going to the World's Fair. I assume that that means, because money is not unlimited, that they aren't going to go to the local movie theater as often, they aren't going to go to the local restaurants as often. In fact, when you figure it all out, about six hundred million dollars of the revenues which are being projected are going to come from people in the Chicago metropolitan area, which means that that revenue is going to be spent on Chicago's lake front and it isn't going to be spent in the other places in Illinois. It's...a large part of that six hundred million is simply a shifting of revenue. In addition, you've got to remember this figure. According to the latest figures, and unfortunately, the census bureau only keeps them...on has these since 1979, you've got to remember there are a lot of people in the Chicago...region at the poverty level, but let's take a hundred and fifty percent of the poverty level which was a family of four living on an eleven thousand dollar income in 1979, and I don't know what that is in '84 dollars but it isn't very much more, people who live in Cabrini Green and Taylor Homes, there are...and people who live in subsidized Section 8 Housing, there are, according to the census...1979 figures, a million and a quarter people who are at a hundred and fifty percent of the poverty level. I don't believe that any of those hundred and fifty percent poverty level people, not one of those million

and a quarter people, are going to spend eighty-seven dollars in 1984 dollars or a hundred and fifty dollars in 1992 dollars going to the fair. They don't have enough money now for shoes for their children or for bread. So you can take that million and a quarter right out of the population figure and your average visits per family start to get up to five or six or seven times. When I was on a radio program the other day with George Burke, who is the public relations spokesman for the fair authority, he said, some people will go a hundred times. Well, there may be a few W. Clement Stones and A. N. Pritzkers would could afford to go a hundred times at these prices, but the...but they aren't going to bring the average up to four or five times. I think the fact is that the figures simply do not make sense. Now we've been told that the fair will bring tourism to the State, and there is no doubt that we are very weak in tourism in this State. I think the presentations made here today were extremely impressive and I support them very much, but let us look at what we're going to get for our dollar for the World's Fair. The World's Fair, and you have to take into account inflated costs by their own book, in 1992 dollars is going to cost a billion and a half. Now, if anybody believes they're going to come in on costs, let me remind you of the last two major public works projects in the Chicago area. The State of Illinois Building was budgeted for eighty-nine million dollars. They now are expecting to spend a hundred and seventy million dollars, it's just about double. The O'Hare CTA line was originally budgeted at a hundred and thirty-five million, now expected to be completed three years late...I hope we're not talking about a 1995 World's Fair, three years late at two hundred million or about...over a fifty percent cost overrun. So, if anybody thinks we're actually going to come in for a billion and a half, especially given the...this history, I think they're fooling themselves, but let's take the billion



and a half just for a moment and see what that does to our tourism figures. According to the World Fair's figures, they're going to get 25.6 million turnstile clicks from people outside the metropolitan region. Ms. Klarich from the First National Bank tells us that's really 12.8 million people because anybody who drives for more than three hundred miles away is...or certainly they come from Europe is going to go an average of two times to the fair, I think that's reasonable. So, that's 12.8 million tourists coming to Chicago during the six-month period. If you call the Illinois Office of Tourism you will find that in 1984 with no World's Fair, we draw eight million tourists. Already the State of Illinois draws twenty million tourists and we do it with this measly seven hundred and fifty thousand dollar budget. So, we're getting approximately a twenty to twenty-five percent increase State-wide in our tourism from this billion and a half dollar investment, an investment that will close down in October of 1992 and will no longer draw any tourists. I think that we ought to do what was shown on the screen...what New York City did, and instead of spending a billion and a half dollars, spend ten million on an advertising campaign; New York increased its tourism thirteen hundred percent, Ontario for twelve million dollars a year increased it to forty percent. We can afford that because the returns are tremendous and the risk is very small. I don't think we can afford to lay...to approve a bonding authority for a billion dollars. What worries me is, is that this will be a New York situation. The World's Fair Authority doesn't like to cite New York, they don't like to cite the ones that don't work. They only like to cite the ones that do work, and Mr. Ayers was very candid at the city council hearing, and I said, well, how can we expect that all these people are going to come and how can we expect that these cost estimates are going to be what you say they are? And he said, you have to

take it on faith. Well, I think when they come in with their financial package for the Legislature and they asked you to approve a guarantee by the taxpayers of this State...and there will have to be some kind of guarantee because nobody in their right mind would buy bonds based on these revenue projections without the government standing behind it. We have to take it on faith that what will not happen...that we won't have what happened in New Orleans where they're running thirty or forty percent below projections, where they've slashed their ticket price and where the thing does not look like it's going to be successful at all, and the bottom line is going to be that the taxpayers are going to have to pick up the slack, and when it's all said and done, what has the State of Illinois gained? Mr. Considine agreed at a dinner meeting which he was the spokesman at last Thursday that then the fair doors close, the Chicago economy will be left with a net increase of six to seven thousand permanent new jobs. I would suggest to you that we can increase jobs four or five times that much just through increasing our tourism with a ten million dollar advertising budget or with other more certain kinds of economic development programs for the Chicago area and for the...entire State without the tremendous risk involved in spending a billion and a half dollars to build an island and a lake in a neighborhood where nobody now lives while we're ignoring the neighborhood where people do live and while this State can't even seem to provide enough money to open the schools in the fall. If you want to worry about scaring out...jobs in industry, I think that we will lose far more if we have another September come around with the schools of Chicago not opening than if we simply...face up to it and tell the world what I think we should tell them, and that is the time for World's Fairs is past, this is not 1933, there is television, there's great America and there are a million other things that compete for this dollar. We would

be a mature State and a mature City of Chicago if we faced up to that and said it was a good idea fifty years ago, it's not a good idea now. Thank you, very much. I'm happy to answer any questions.

PRESIDING OFFICER: (SENATOR BRUCE)

Thank you, Alderman...Cherman. Thank you. Thank you, Alderman. We have three...Ms. Mary Nelson, chairperson of the Chicago 1992 Committee, is here and would like to make a comment, and her prepared remarks have been distributed to your desks.

END OF REEL

REEL #5

MS. NELSON:

On behalf of the Chicago 1992 Committee, we would like to raise a few more questions and just bring a few more facts to you in light of the questions and the financing of this fair and particularly, to end the game of "Blind Man's Bluff" that so easily gets portrayed on all of us when we hear the nice glossy kinds of presentations and...and slick figures. Secondly, we don't think that at this point in time that you need to hurried in making this decision without a careful deliberation of the facts and the figures and the financing. This is not an eleventh-hour moment, that you can postpone making this decision until you have all the facts, until you've looked at the risks to the State and to us as tax-payers for that. I'd like to call to your attention just a couple of facts. Number one, that the figures you have been presented today that are in the materials keep changing. Last year when the first votes came out the figures were one thing, six months later they are another thing, two weeks later they're another thing; they keep changing and...so that what we have here are not a finite set of projections that are hard and firm but are ones that keep changing even by the Fair Authority's own sets of documents and their own presentations at the various committees and the various places that they are at. Secondly, that not only do these fairs..do these figures keep changing but that, as you've seen, we've all had some experiences with rosy projections that turn out to be much more glum kinds of things later on. Mr. Petkus and Mr. Ayers of...themselves had those kinds of experiences. The Byron Nuclear Power Plant was projected to...

PRESIDING OFFICER: (SENATOR BRUCE)

May...may we have some order, please. We have two more witnesses, if we can maintain order, we'll be cut of here in just a very short while. Continue, Ms. Nelson.

MS. NELSON:

...the Byron Plant was projected to cost seven hundred and fifty million dollars. Ten years later, it is now at 3.8 billion dollars. The Braidwood Plant was projected to cost nine hundred million dollars. Today they are projecting 3.9 billion dollars. We now...we all know about the fact of these projections that they don't end up the same way. So, we would like to question the projections, we would like to call for an independent non-allied with the Fair Authority kind of careful study of projections. The same thing at First National Bank's report that you got today, another bank in Chicago, we're using internal financial projections, came out with very different figures that raised very serious questions about...financial viability of the Fair. Finally, we would like to just cite a few of the hard and cold facts about the other fairs. Even though they may not be the same class of fair, we think that experience is helpful to us, and I will not repeat facts that have already been given to you. But Knoxville now has a fifty-seven million dollar debt that is severely threatening the whole fiscal integrity of the city. In addition to that, a parking structure...which was built for thirteen...million dollars was recently sold for five million. The twenty-one million dollar U.S. Pavilion was sold for one dollar and has to be torn down. A number of banks in Knoxville have gone under because they financed a...many of the small entrepreneurs that had to put up the twenty-two thousand dollars to be in the fair, and because the projections had been so rosy and the numbers of people who actually came were so slim, they went into bankruptcy and could meet their obligations. You've heard the statistics on New Orleans, where the...the state floated simply five million in bonds for the fair and lent the fair ten million, and it looks like, again, those projections were very rosy and that those dollars are at risk. We emphasize this because

you are talking about risking on behalf of all of us taxpayers over eight hundred million dollars. We don't want to pay for that for the next twenty years, so we ask you to really seriously question these projections. One more, you've had the figures on...on the New York Fair just in terms of attendance, but in terms of dollars, they had projected a fifty million dollar surplus and, in fact, the fair went into a ten million dollar deficit and the bondholders in New York were left holding the bag. They received a return of only thirty cents on each dollar that they invested and the state had to be responsible for the difference, over five hundred and sixty million dollars. We do not want you Senators to make us all responsible for over eight hundred million dollars worth of bonds. Finally, then, we are asking that you further delay making a decision, that you get an independent careful financial analysis of this, and that you refuse any financing plan where the State is to be the main risk taker for the fair. Thank you.

PRESIDING OFFICER: (SENATOR BRUCE)

Thank you, Ms. Nelson. Alright, Mrs. Mary Decker, Executive Director of the Metropolitan Housing and Planning Council. Is that correct? Ms. Decker.

MS. DECKER:

I want to thank you all very much for staying, for giving us an opportunity to present our views. I will try to be very brief, and I will be very brief. You have all been given a copy of a report called Financing Capital Improvements for the Chicago 1992 World's Fair. We released that, I can recommend it as a riveting document, I hope you will take the time to read it. We've also inserted a three-page summary and I will summarize here the two...what I believe are the two most important points and what I believe is the way to approach this question of financing the fair. We are looking...the two recommendations I would like to give are

these: the need...we need to establish a policy related to limiting the public risk. We need to remember that eight hundred million dollars in bonds is gigantic by any measure. As the public work's investment, it compares to the largest of kind...of utilities' projects and the kinds of road projects that we engage in over a period of many, many years. I can't overestimate the size of this venture. And the fact is that the financial exposure of the State should be limited as much as possible. Secondly, we need to require greater private sector involvement in the responsibilities, the risks and the benefits of the fair. We have watched over the last three years this turn from a private sector fair into a public sector fair, and there is an inherent danger in that. While it's our belief that a well planned and successful fair will bring many benefits to the State, it's also clear that if the State takes the lead in funding for the fair, it will be very, very difficult to get private sector involvement thereafter. And that's not only bad from a taxpayer's viewpoint, but it's bad because we'll lose the kind of entrepreneurial fervor that is absolutely essential for the success of these events. If we have a State sponsored and financed fair, we are likely to have a very dull fair. Now, I'm not saying anything new, the World's Fair Authority and the State Task Force have been looking into private financing alternatives; advertising rights, media rights, corporate sponsorships and so forth. These have been looked at, however, in terms of the way that they can offset operating expenses. We need to challenge the private sector on this, so that we can get private involvement in offsetting capital expenses...as well. It might not be a bad thing for the State to consider a challenge of sorts, that the State involvement could be limited to a certain degree and respond to appropriate private sector initiative. In that way it would be possible to have a fair that is entrepreneurially

successful, that is private sector sponsored, private sector insured. It's possible to investigate ways to involve private bond insurance, business risk insurance, sale lease-back of facilities, pre-fair sale of tickets. Millions of dollars in Los Angeles was raised by the sale of tickets several years in advance of the events. We should not lose sight of the fact that we do have a West Coast Olympics occurring this year, entirely private...privately financed. I should close by saying the Metropolitan Housing and Planning Council continues to be in support of the fair. We believe...if done well it can bring great benefits to the State. We believe that it needs to be a private sector fair to the greatest degree possible. Thank you, very much.

PRESIDING OFFICER: (SENATOR BRUCE)

Thank you, Ms. Decker. Alright, the last witness is Pierre DuBose, who is with the...Pheasant Run Resort in St. Charles, Illinois. Pierre DuBose.

MR. DuBOSE:

Thank you, Mr. Chairman. Just briefly, I would like to say that as a representative of four hotels in...in northern Illinois between greater Rockford and greater Chicago, that some of my colleagues in the hotel industry in Illinois are not unanimously supporting the proposals...the three proposals together as they stand here today, and if you have any questions, most of you have received a letter from me in the last week or so, I'd be glad to answer any questions.

PRESIDING OFFICER: (SENATOR BRUCE)

Are there questions for Mr. DuBose? Senator Grotherg is recognized for a question.

SENATOR GROTHERG:

Thank you. Very briefly, Mr. DuBose, is it...my understanding that the innkeepers of Illinois are not necessarily united on...at least a one percent room tax State-wide and that there's a difference of opinion within the group?



MR. DuBOISE:

Absolutely. Quite a large difference of opinion.

SENATOR GROTEBERG:

Does that reflect upstate and downstate or...?

MR. DuBOISE:

Yes, sir,...including some...some hotels in suburban Cook County.

PRESIDING OFFICER: (SENATOR BRUCE)

Further questions? Mr. DuBose, thank you, very much for spending as much time as you had to to wait...we are still on the Committee of the Whole. Is there any other matter to come before...Senator Lechowicz, you have returned. Senator Lechowicz.

SENATOR LECHOWICZ:

Well, I've been listening and with great interest, and I was wondering is...do we have anybody from the Friends of the Park and have they submitted any testimony in behalf of the legislation that's pending?

PRESIDING OFFICER: (SENATOR BRUCE)

No they have not.

SENATOR LECHOWICZ:

I've been informed that they have submitted a report this afternoon to the Chicago Park District, and I was wondering, Mr. Chairman, if it would be possible that the staff receive a copy of that report and that would also be included for discussion and...in our...in our perusal of this matter as far as...see what the recommendations and their ideas are on this subject matter.

PRESIDING OFFICER: (SENATOR BRUCE)

We will secure a copy and have copies made for the membership...

SENATOR LECHOWICZ:

Thank you.

PRESIDING OFFICER: (SENATOR BRUCE)

...from the Friends of the Park they gave to the Chicago Park District today. Any further business? Senator Rock.

SENATOR ROCK:

Thank you, Mr. President. I've asked Secretary Kramer as the chairman of the task force not to make any closing remarks. I think...he has indicated that he and the other members of the task force, and we have four Senate members, will be available...are available to answer any and all inquiries. I expect when the report comes out next week, we will have an opportunity again to discuss this matter at length and that I will have appropriate amendments prepared. So, I would move at this time...I thank all the participants and all of you who sat so patiently through this, I think it was a worthwhile addressment of this most serious matter, and I would move that we now arise. We have only fourteen bills left to consider and then we can call it a day and a week, but I would move the...we now arise.

PRESIDING OFFICER: (SENATOR BRUCE)

Motion is...the Committee of the Whole now do arise...do now arise. Before doing that, the Chairman would like to recognize that Senator Haitland and Senator Etheredge and Senator Nedza have spent inordinate hours with the task force and they are available for questions twenty-four hours a day. On the motion...we now do arise, all in favor say Aye. Opposed Nay. The Ayes have it. Committee of the Whole is...is...does now arise. We're now back in regular Session on the matter of...is there leave to go to the Order of...Order of Resolutions? Leave is granted. Resolutions.

SECRETARY:

Senate Resolution 669 offered by Senator Barovitz, it's congratulatory.

PRESIDING OFFICER: (SENATOR BRUCE)

Is there leave to place this resolution on the Resolution Consent Calendar? Leave is granted. Messages from the

House.

SECRETARY:

Message from the House by Mr. O'Brien, Clerk.

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

House Joint Resolution 157.

(Secretary reads HJB 157)

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Rock.

SENATOR ROCK:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. House Joint Resolution 157 is the adjournment resolution. It brings us back to Springfield for Session at one o'clock on Monday, one o'clock on Monday, at...at the close of business today, and I would move for the suspension of the rules and the immediate consideration and adoption of this...House joint resolution.

PRESIDING OFFICER: (SENATOR BRUCE)

On the motion to suspend, discussion? Those in favor say Aye. Opposed Nay. The Ayes have it. The rules are suspended. On the motion to adopt, discussion? Those in favor say Aye. Opposed Nay. The Ayes have it. The resolution is adopted. Committee reports.

SECRETARY:

Senator Savickas, Chairman of Assignment of Bills Committee, assigns the following House bills to committee:

Agriculture - 1302, 2040, 2787, 2987, 3060, 3073, 3174, 3206; Appropriations I - 2657, 2669; Elections and Reapportionment - 2857, 2952; Elementary and Secondary Education - 2278, 3136, 3219; Executive - 1448, 2509, 2693, 2721, 2798, 2804, 2837, 2838, 3083, 3162 and 3263; Finance - 2296, 2461,

103/1306  
320 Receipt

2658, 2140, 3143, 3144, 3148 and 3150; Higher Education - 2815, 3110; Insurance, Pensions and Licensed Activities - 243,...2321, 2545, 2566, 2578, 2865, 2883, 3072, 3126, 3201, 3202 and 3203; Judiciary I - 1859, 2805, 2859; Labor and Commerce - 3057, 3091, 3099, 3221; Local Government - 1427, 2396, 2458, 2502, 2542, 2568, 2665, 2810, 2887; Public Health, Welfare and Corrections - 598, 2726, 2878, 3068, 3092, 3123; Revenue - 1474, 2377, 2366, 2513, 2816, 2832, 3062, 3069 and 3165; Transportation - 2211, 2441, 2454.

PRESIDING OFFICER: (SENATOR BRUCE)

Leave to go to the Order of Resolution Consent Calendar? Leave is granted. Mr. Secretary, have any Senators filed objection to the resolutions on the Resolution Consent Calendar?

SECRETARY:

No objections have been filed, Mr. President, but House Joint Resolution 154, Senate Resolution 661, 662, 663,...664, 665, 666 and 669 have been added to the Consent Calendar.

PRESIDING OFFICER: (SENATOR BRUCE)

They...they were added with leave. Hearing no objections, Senator Luft moves the adoption of the Resolution Consent Calendar. On that motion, those in favor say Aye. Opposed Nay. The Ayes have it. The resolutions are adopted. Is there leave to go to the Order of Senate Bills 3rd Reading? Leave is granted. On page 3 of your Calendar is Senate Bill 1386 under the sponsorship of Senator Buzbee. Read the bill, Mr. Secretary, please.

SECRETARY:

Senate Bill 1386.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Buzbee.

SENATOR BUZBEE:

Thank you, Mr. President. This is for capital development. It's out of Capital Developments funds, by the way, for the renovation of the Touch of Nature Camp at Little Grassy Lake which is owned and operated by...by SIU. It's a thirty-two hundred acre environmental center that offers outdoor education programs to handicapped children and adults and juvenile offenders as well as to normal populations. We estimate there are about fifteen to twenty thousand individuals use the facility each year. It's rather fitting that we hear this bill right after we've heard the request from the...the World's Fair folks for somewhere around a billion dollars. I'm only asking for one million, about twenty thousand folks use this facility each year. The center's annual budget totals 1.2 million of which only two hundred thousand comes from State appropriated funds and the other one million comes from fees and grants. What's happened over the years because of budget crunches and so forth, the university has started on a...about ten years ago, under a previous administration, of not being able to keep this facility in a good state of repair. As a result, it's gone downhill to the point where one of the camps is almost not usable now; the other camp is still being used, but if we don't get the repair done on it, why, perhaps, it won't be usable either. So, I have put this bill in, it's for one million two hundred forty-five thousand dollars, it's for renovation of Touch of Nature. We had testimony in the capital...subcommittee that there are all kinds of groups from all over the State of Illinois. The Jewish Federation, as an example, came in and...and testified they send a lot of folks from their group in the City of Chicago. They estimate they spend about forty thousand dollars a year there. We'll put this on a self-sustaining basis if we can get this repair done, and I would appreciate a favorable roll call.

PRESIDING OFFICER: (SENATOR BRUCE)

Is there discussion? Senator Schaffer.

SENATOR SCHAFFER:

Well, I just wanted to point out that this is an unbudgeted touch, and albeit a small touch vis-a-vis the touch that was just presented, it still is a unbudgeted touch and I really can't personally support it.

PRESIDING OFFICER: (SENATOR BRUCE)

Further discussion? Further discussion? The question is, shall...Senator Euzbee.

SENATOR BUZBEE:

Well, Senator Schaffer is absolutely correct, but I would point out that miraculous things do happen and...and I anticipate that this will become a budgeted project before this Session is over. After I've had some discussions with the Governor concerning various things, I...I think that perhaps we may get some support from the second floor for this.

PRESIDING OFFICER: (SENATOR BRUCE)

The question is, shall Senate Bill 1386 pass. Those in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 32, the Nays are 18, 2 voting Present. Senate Bill 1386 having received the required constitutional majority is declared passed. Senate Bill 1451, Senator Johns. Read the bill, Mr. Secretary, please.

SECRETARY:

Senate Bill 1451.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDING OFFICER: (SENATOR BRUCE)

Senator Johns.

SENATOR JOHNS:

Thank you, Mr. President. This takes care of...it's a thirty thousand dollar appropriation, I think very minimal.

We asked for it last year, got it into a Conference Committee and got tied up on another bill with Representative Winchester and...so we singled it out and put it into its own legislation. Appropriates from the Agricultural Premium Fund to the Department of Agriculture fifteen thousand dollars for premiums and fifteen thousand two for rehabilitation to the Gallatin County Fair Association. This is the heart of the popcorn country. It drags in fifteen, twenty thousand people each year for a festival and they have no decent fairgrounds, and I would appreciate your approval of this legislation.

PRESIDING OFFICER: (SENATOR BRUCE)

Alright. Is there discussion? Senator Grotberg.

SENATOR GROTBERG:

Thank you, Mr. President. Not on the issue but a point of order. The numbers are few on this Floor. It would be nice if we didn't get into verification of each other's affairs, but if we can get everything voted straight without having to do that, it would be very helpful, and I will not be the one that calls for verification but let's not vote too many people who are not here on anything. Thank you.

PRESIDING OFFICER: (SENATOR BRUCE)

Alright. Further discussion? Senator Schaffer.

SENATOR SCHAFFER:

Well, I am informed that the substantive bill to reestablish this fair is a Senate bill still in the Senate Rules Committee, and I'm hard pressed to understand how the appropriation is operative without that bill...is an unbudgeted touch, if you will.

PRESIDING OFFICER: (SENATOR BRUCE)

Further discussion? Senator Johns may close.

SENATOR JOHNS:

Just appreciate a favorable roll call. Thank you, very much.

PRESIDING OFFICER: (SENATOR BRUCE)

Question is, shall Senate Bill 1451 pass. Those in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 29, the Nays are 18, 1 voting Present. Senate Bill 1451 having failed to receive...alright. Sponsor asks that further consideration of the bill be postponed...be placed on the Order of Postponed Consideration. 1533, Senator Savickas. Read the bill, Mr. Secretary, please.

SECRETARY:

Senate Bill 1473.

(Secretary reads title of bill)

3rd reading of the bill.

SECRETARY:

Senate Bill 1533.

(Secretary reads title of bill)

PRESIDING OFFICER: (SENATOR DEMUZIC)

Senator Savickas.

SENATOR SAVICKAS:

Yes, Mr. President and members of the Senate, Senate Bill 1533 is the bill that appropriates two hundred and fifty-nine thousand dollars to the Department of Law Enforcement for a grant to the Chicago Police Department for the purpose of fingerprinting school children in Chicago. Chicago has fingerprinted over seventy thousand children using its own funds. They've run out of funds for this purpose, we have over four hundred thousand more children to do. Yesterday or day before yesterday, Senator Schaffer wondered why Chicago doesn't take of its own children. Senator Schaffer, from...the records we can get, has about only thirty-three thousand school...public school children in this whole district. Senator Schaffer has been the leader in getting the Crystal Lake thing cleaned up for the adults. I



think that what we should do is Chain of Lakes, where all the adults can enjoy those pleasures. I think what we should be concerning ourselves with is those children that are missing and lost, that we can't identify them when they are found, whether they are victims of violent crimes or not, and I would suggest that our priorities should be to help these parents indentify the children and not concern ourselves some much with the pleasures of adulthood. I would seek a favorable roll call.

PRESIDING OFFICER: (SENATOR DEHUZIO)

Alright. Any discussion? Senator Schaffer.

SENATOR SCHAFFER:

Well, I...I 'm happy to see that you've got a count on my school aid children. If your study was complete, you'd probably notice how little State support we get for our schools, but then that's another story. My only complaint was that our towns have done this on their own, and you know, again, it's a scaller deal, but I would suggest to you that while the Village of Cary has a smaller number of children than the City of Chicago, that the budget of the City of Chicago is proportionately larger than the budget of the Village of Cary and, yet, we've been able to do this out of our budgets, and I...I'm hard pressed...I'm not arguing against the program, I think it's one that ought to go forward. I just think if we pay for it locally in our areas, including some...I might add, some poverty areas downstate that have...seen fit to make this a priority, I don't see why the City of Chicago can't do it; and Senator DeAngelis suggests that it would better if we would...made it mandatory for gang members, but I'm not sure what he meant by that. But in any event, I still say if it's good for the goose, it's good for the gander; and in this case, I only see one town being supported.

PRESIDING OFFICER: (SENATOR DEHUZIO)

Further discussion? Senator Savickas may close.

SENATOR SAVICKAS:

Well, in...the answer to Senator Schaffer's concern about how little school aid he gets, it's usually based on enrollment; obviously, he doesn't have enough enrollment to call for a great aid in school. Senator DeAngelis, obviously, has the lower amount of students in his area, and he doesn't really care if those children are lost out in those forest preserves and cannot be identified. I would suggest that this is a good bill. Senator Schaffer and a few of the other Senators that oppose this type of measure for Chicago have no qualms in seeking funds from all of Chicago area residents through their taxes to support Chain of Lakes area that they particularly use for recreational facilities. I would suggest that they should readjust their priorities and support Chicago's concern for its children and vote for Senate Bill 1533.

PRESIDING OFFICER: (SENATOR DEBUZIO)

Question is, shall Senate Bill 1533 pass. Those in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 26, the Nays are 16, 2 voting Present. Senate Bill 1533 having failed to receive the required constitutional majority is declared lost. 1541, Senator Bruce, do you want...alright. On the Order of 3rd Reading, Senate Bill 1541, Senator Rock. Read the bill, Mr. Secretary, please.

SECRETARY:

Senate Bill 1541.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDING OFFICER: (SENATOR DEBUZIO)

Senator Rock.

SENATOR ROCK:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. Senate Bill 1541 as amended reflects the commission reorganization as sent to the House in Senate Bill 1850. It provides for a three-month budget for a number of the commissions, provides for a full year for the service agencies and the other commissions that are to be subject to sunset, total amount is twelve million eight hundred thousand dollars and I would ask a favorable roll call.

PRESIDING OFFICER: (SENATOR DEBUZIO)

Any discussion? Any discussion? Question is, shall Senate Bill 1541 pass. Those in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 41, the Nays are 6, 1 voting Present. Senate Bill 1541 having received the required constitutional majority is declared passed. 1547, Senator Rock. Read the bill, Mr. Secretary, please.

SECRETARY:

Senate Bill 1547.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDING OFFICER: (SENATOR DEBUZIO)

Senator Rock.

SENATOR ROCK:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. Senate Bill 1547 is for the ordinary and contingent expenses of the Senate and the House. We have added some two hundred and fifty thousand dollars for the use of the standing committees to assume some of the work previously done by commissions. The total amount of this legislation is fifteen million four hundred thousand dollars. I would ask for a favorable roll call.

PRESIDING OFFICER: (SENATOR DEBUZIO)

Any discussion? Any discussion? If not, the question is shall Senate Bill 1547 pass. Those in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 44, the Nays are 3, 1 voting Present. Senate Bill 1547 having received the required constitutional majority is declared passed. 1548, Senator Rock. Read the bill, Mr. Secretary, please.

SECRETARY:

Senate Bill 1548.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDING OFFICER: (SENATOR DEBUZIC)

Senator Rock.

SENATOR ROCK:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. This is the FY '85 appropriation for the district office allowance. It has been amended to reflect Senator Hall's bill that we favorably approved and sent over to the House. It reflects those higher numbers in the total amount of four million one hundred thousand dollars. I would seek a favorable roll call.

PRESIDING OFFICER: (SENATOR DEBUZIO)

Any discussion? Any discussion? If not, the question is, shall Senate Bill 1548 pass. Those in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 37, the...the Nays are 12, 1 voting Present. Senate Bill 1548 having received the required constitutional majority is declared passed. 1549, Senator Rigney. Read the bill, Mr. Secretary, please.

SECRETARY:

Senate Bill 1549.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDING OFFICER: (SENATOR DEMUZIC)

Senator Bigney.

SENATOR RIGNEY:

This is the OCE for the Department of Agriculture introduced in the amount of forty-three million nine hundred and twenty-three thousand. Committee took out about three hundred and eighty-seven thousand; however, put back a couple of jobs and some work around various county fairs throughout the State and a little for soil and water conservation districts.

It's now about a hundred and twenty-one thousand dollars higher than it was the day it was introduced. I think, we probably better get it out of here before it has kittens.

PRESIDING OFFICER: (SENATOR DEMUZIC)

Is there any discussion? Any discussion? If not, the question is, shall Senate Bill 1549 pass. Those in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 48, th Nays are 1, 1 voting Present. Senate Bill 1549 having received the required constitutional majority is declared passed. 1550, Senator Schaffer. Read the bill, Mr. Secretary, please.

SECRETARY:

Senate Bill 1550.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Schaffer.

SENATOR SCHAFFER:

This is the budget for the new Department of Alcoholism and Substance Abuse. Its current level is some fifty-four million four hundred and twenty-nine thousand. I suspect

that it's subject to further refinement in the House once the Governor's Office and the new administration and the various interested parties get their act together. So I suspect we'll see it again, but I think it's leaving here in reasonably good shape.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Is there any discussion? Is there any discussion? If not, the question is, shall Senate Bill 1550 pass. Those in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 50, the Nays are none, none voting Present. Senate Bill 1550 having received the required constitutional majority is declared passed. 1565, Senator Watson. Read the bill, Mr. Secretary, please.

SECRETARY:

Senate Bill 1565.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Watson.

SENATOR WATSON:

Thank you, Mr. President. Senate Bill 1565 is the appropriation bill for the Department of Law Enforcement, hundred and twenty-two million eight hundred and twenty-four thousand two hundred dollars. In committee, Amendment No. 1 made a reduction of four million four hundred and fifteen thousand four hundred. Amendment No. 2 added back a hundred and eighty thousand for the department to buy new winter coats for the State troopers, and Amendment No. 3, which we discussed today, added back two million five hundred and ninety-two thousand for automobiles. I would ask for a favorable vote.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Is there any discussion? Any discussion? If not, the question is, shall Senate Bill 1565 pass. Those in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 50, the Nays are none, none voting Present. Senate Bill 1565 having received the required constitutional majority is declared passed. Top of page 4, Senate Bill 1583, Senator Davidson. Read the bill, Mr. Secretary, please.

SECRETARY:

Senate Bill 1584.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDING OFFICER: (SENATOR DEMUZZIO)

Senator Davidson.

SENATOR DAVIDSON:

Mr. President and members of the Senate, this is the annual appropriation for the Department of Aging for ninety-six million a hundred and eighty-five thousand dollars, appreciate a favorable vote.

PRESIDING OFFICER: (SENATOR DEMUZZIO)

Is there any discussion? Any discussion? If not, the question is, shall Senate Bill 1583 pass. Those in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 49, the Nays are 1, none voting Present. Senate Bill 1583 having received the required constitutional majority is declared passed. Senate Bill 1584, Senator Carroll. Read the bill, Mr. Secretary, please.

SECRETARY:

Senate Bill 1584.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Carroll.

SENATOR CARROLL:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. This is now the appropriation for the Compensation Review Board created by Senate Bill 1889 in the amount of forty-five thousand. I would ask for a favorable roll call.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Is there any discussion? Any discussion? If not, the question is shall Senate Bill 1584 pass. Those in...in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 39, the Nays are 11, none voting Present. Senate Bill 1584 having received the required constitutional majority is declared passed. 1549, Senator Egan. Read the bill, Mr. Secretary, please.

SECRETARY:

Senate Bill 1649.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Alright. Senate Bill 1649. Senator Egan.

SENATOR EGAN:

Yes, thank you, Mr. President, members of the Senate. Appropriates funds for the ordinary and contingent expenses of the State's Attorneys Appellate Service Commission, effective July 1st, 1984, 2.4 million.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Is there any discussion? Any discussion? If not, the question is, shall Senate Bill 1649 pass. Those in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are



43, the Nays are 5, 2 voting Present. Senate Bill 1649 having received the required constitutional majority is declared passed. Senate Bill 1654, Senator Bloom. On the Order of 3rd Reading, Senate Bill 1654, Mr. Secretary, read the bill, please.

SECRETARY:

Senate Bill 1654.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDING OFFICER: (SENATOR DEMUZIC)

Senator Bloom.

SENATOR BLOOM:

Thank you, Mr. President, fellow Senators. This is the ordinary and contingent expenses of the Arts Council. It has been amended. Senator Zito's amendment is on and it reduces it to a 2.8 percent growth. As introduced, GRF was 6.3 million, has now been reduced to 5.4 million. Answer any questions; otherwise, seek a favorable roll call.

PRESIDING OFFICER: (SENATOR DEMUZIC)

Is there any discussion? Any discussion? Senator Keats.

SENATOR KEATS:

I would rise in opposition to this legislation, and I would remind you, there could be some questions raised as to the way this money has been spent and hundred percent budgeted increases. I think there are philosophical objections as well as practical, and I would...I would appreciate a negative vote, and I would appreciate that the empty seats remain empty on this vote.

PRESIDING OFFICER: (SENATOR DEMUZIC)

Alright. Further discussion? Senator Lechowicz.

SENATOR LECHOWICZ:

Mr. President, Ladies and Gentlemen of the...Senate, I rise in support of this legislation. I believe that the matter has been really beaten unfairly. It's an area that the

State of Illinois should take a lot of pride in. If you take the per capita expenditure as far as to the population of this great State in comparison to other states in this nation, the expenditure is not excessive. And as far as whether the money is spent in districts to our liking, I think when you're talking about the arts and the cultural aspects, it transcends district lines, it transcends city lines, and you're trying to promote the best and try to bring a higher level to humanity. I believe John Grothberg's statement yesterday on this Floor should have been heard by everybody, because it came from the heart and it shows that the human aspect of life is greater than bread and butter and that it includes the arts, and the arts are very important facet in our daily lives. And for this reason, I strongly and...I stand in strong support in Senate Bill 1654.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Further discussion? Senator Carroll.

SENATOR CARROLL:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. I, too, rise in support of Senate Bill 1654 in its current status and amount, and let me say that I was one of those on the losing side in committee who had attempted to get it out of committee and...and support it at that time as well. I do believe some issues have been raised that were real and are being addressed and are being addressed adequately and well. It is no small measure for Illinois to be proud to say that we are reallocating fifty cents a person towards the arts, which is what we did a year ago when we brought them up to a realistic funding level, a level realistic with our sister states. We were well at the bottom of that list and that was no great honor or reward. We have to be a total society, and a fifty cent a person...allotment is a very reasonable and sensible one to allow all the citizens to enjoy as well as teach citizens of Illinois about the arts

and let them enjoy and see the arts. We have now limited their growth to a modest percentage, modest compared to other areas of State Government that have only enjoyed a modest increase. I think that is realistic, but more important to those of you who even oppose the Arts Council, realism should be your motto. The realism is, this is going to be back, better be back where you can find it, in its own bill than scattered amongst a whole bunch of others, and I would urge a favorable roll call.

PRESIDING OFFICER: (SENATOR DEBUZIO)

Further discussion? Senator Bloom may close.

SENATOR BLOOM:

Thank you. I think that the two prior speakers have said better anything that I could say. I'd just appreciate a favorable roll call. Thank you.

PRESIDING OFFICER: (SENATOR DEBUZIO)

Alright. The question is, shall Senate Bill 1654 pass. Those in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Can you hear me out there? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 33, the Nays are 5, 3 voting Present. Senate Bill 1654 having received the required constitutional majority is declared passed. Senator Keats, for what purpose do you arise?

SENATOR KEATS:

There are more than eighteen members of the Senate absent probably.

PRESIDING OFFICER: (SENATOR DEBUZIO)

What does that mean? Senator Keats.

SENATOR KEATS:

I apologize for not being clear, I would seek a verification.

PRESIDING OFFICER: (SENATOR DEBUZIO)

Alright. Senator Keats seeks a verification of the roll call. Are you joined by two additional members? Alright. Senator Keats has asked for verification of the roll call. Those members...should be in their seats. Secretary will, in fact, call the affirmative roll call.

SECRETARY:

The following voted in the affirmative: Berman, Bloom, Bruce, Buzbee, Carroll, Chew, Coffey, Davidson, DeAngelis, Demuzio, Donahue, Egan, Etheredge, Fawell, Groberg, Hall, Holmberg, Johns, Jerome Joyce, Kustra, Lechowicz, Mahar, Maitland, Marovitz, Netsch, Rupp, Sangmeister, Schaffer, Smith, Vadalabene, Weaver, Zito, Mr. President.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Alright. Senator Keats, do you question the...any...presence of any member?

SENATOR KEATS:

Senator Bruce.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Bruce on the Floor? Senator Bruce on the Floor?  
Senator Bruce is on the Floor.

SENATOR KEATS:

Senator Chew.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Chew. Senator Chew on the Floor? Strike his name.

SENATOR KEATS:

Senator Marovitz.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Marovitz is in his seat.

SENATOR KEATS:

Senator...wait a minute.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator wait a minute is not on the roll call.

SENATOR KEATS:

He voted twice yesterday though...

PRESIDING OFFICER: (SENATOR DEBUZIO)

Alright. Do you question...do you question anyone else?

Alright...

SENATOR KEATS:

Wait, Senator Zito.

PRESIDING OFFICER: (SENATOR DEBUZIO)

Senator Zito on the Floor? Senator Zito on the Floor?

Strike his name.

SENATOR KEATS:

Senator Vadalabene.

PRESIDING OFFICER: (SENATOR DEBUZIO)

Senator Vadalabene on the Floor? Senator Vadalabene on the Floor? Strike his name. Senator Keats, do you question the...presence of any other member?

SENATOR KEATS:

Just...I'm...I'm reading my list, my penmanship is not very good.

PRESIDING OFFICER: (SENATOR DEBUZIO)

Well, Mr. Secretary...

SENATOR KEATS:

Is...okay, that's enough, thanks.

PRESIDING OFFICER: (SENATOR DEBUZIO)

Alright. On that...alright, on that...the roll call is 30 Yeas, 30...Yeas, 5 Nays and 3 voting Present. The Senate Bill 1654 having received the verified roll of the required constitutional majority is declared passed. Senator D'Arco, for what purpose do you arise?

SENATOR D'ARCO:

Mr. President, I was...I was off the Floor, but let the record reflect I would have voted Aye had I been on the Floor.

PRESIDING OFFICER: (SENATOR DEBUZIO)

The record will so reflect. Senator Savickas, for what

purpose do you arise?

SENATOR SAVICKAS:

Well, Mr. President, I rise to indicate that I was off the Floor in Rules Committee work and had I...had my seatmate been as industrious on all these other appropriation bills by voting my switch Aye, I would have been recorded Aye. But obviously, he forgot this one little bill, and I would like the record to...show that I would have voted Aye on this bill.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Alright. Senator...the record will so indicate. Senator Johns, for what purpose do you arise?

SENATOR JOHNS:

I just thought I would take a precaution just for...and say I...having voted on the prevailing side, I move to reconsider the vote.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Alright. Senate Johns having voted on the prevailing side moves to Table. Senator...reconsider...Senator Bloom moves to Table. Those in favor signify by saying Aye. Opposed Nay. The Ayes have it. Motion is Tabled. Alright. On the Order of 3rd Reading, Senate Bill 1656, Senator Rock. Read the bill, Mr. Secretary, please.

SECRETARY:

Senate Bill 1656.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Rock.

SENATOR ROCK:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. Senate Bill 1656 as amended is in the total amount of one million eight hundred thousand dollars to the Department of Law Enforcement for the implementation of the Missing

Children's Recovery Act, both for computer expenses and for grants to local units of government. I urge a favorable roll call.

PRESIDING OFFICER: (SENATOR DEMUZIC)

Is there any discussion? Any discussion? If not, the question is, shall Senate Bill 1656 pass. Those in favor vote Aye. Those opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 45, the Nays are none, none voting Present. Senate Bill 1656 having received the required constitutional majority is declared passed. Senator Bock, for what purpose do you arise?

SENATOR BOCK:

Thank you, Mr. President. Again, just to thank everybody for their patience. We did, in fact, make it. We will adjourn until one o'clock on Monday. The Rules Committee will meet on noon on Monday, and I would ask leave of the Body to suspend the posting requirements under our rules for the purpose of hearing the House bills next week and ask the committee chairmen to literally post everything that has been assigned to them.

PRESIDING OFFICER: (SENATOR DEHUZIO)

Alright. Senator Rock has asked leave of the Body to suspend the Seven-day Posting Period. Is leave granted? Leave is granted. Senator Rock...any further business to come before the Senate? Senator Rock moves that the Senate stand adjourned until June...Monday, June 4th, at the hour of one o'clock.