76th Legislative Day

July 12, 1993

PRESIDENT PHILIP:

The hour of four having arrived, the Senate will please come to order. And if the Members would please rise, and our friends in the gallery please rise, for the prayer. The prayer will be, today, by Pastor Gillett, Elliott Avenue Baptist Church, Springfield, Illinois. Pastor Gillett.

PASTOR GILLETT:

(Prayer by Pastor Gillett)

PRESIDENT PHILIP:

... (microphone cutoff)... of the Journal.

SECRETARY HARRY:

Senate Journals of Wednesday, July 7th; Thursday, July 8th; and Friday, July 9, 1993.

PRESIDENT PHILIP:

Senator Butler.

SENATOR BUTLER:

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

PRESIDENT PHILIP:

Senator Butler moves to approve the Journal just read. There being no objection, so ordered. Senator Carroll, for what purpose do you rise?

SENATOR CARROLL:

Thank you, Mr. President. For purposes of request of the President that there be a Democratic Caucus immediately in Senator Jones' Office. Caucus has actually already started, but for purpose of announcement, to begin the Caucus for the Democratic side.

PRESIDENT PHILIP:

Senator Carroll, that request is always in order. The Senate will stand at ease until the Democrat Caucus has concluded, and we

76th Legislative Day

July 12, 1993

hope shortly.

(SENATE STANDS AT EASE)

(SENATE RECONVENES)

PRESIDENT PHILIP:

The hour of 7:30 having arrived, the Senate will please come to order. We've had some requests for videotaping the Session tonight: WCIA-TV, WCIS-TV <sic>, WFLD-TV and WAND-TV. Is leave granted? Leave is granted. Committee Reports.

SECRETARY HARRY:

Senator Weaver, Chair of the Committee on Rules, reports that the following Legislative Measures have been assigned to committees: Re-referred from the Executive Committee to the Committee on Rules - Conference Committee Report to Senate Bill 677, and House Joint Resolution 65; referred to the Insurance, Pensions and Licensed Activities Committee - Conference Committee Report to House Bill 1974; referred to the Committee on Judiciary - Conference Committee Report to Senate Bill 483; referred to the Committee on Local Government and Elections - the motion to concur with House Amendments 1 and 2 to Senate Bill 706; and Be Approved for Consideration - Conference Committee Reports to Senate Bill 677, and House Bills 991 and 1587; Conference Committee Report No. 2 to House Bill 300; and the motion to concur with House Amendment No. 1 to Senate Bill 1105; and House Joint Resolution 65.

PRESIDENT PHILIP:

Messages from the House.

SECRETARY HARRY:

A Message from the House by Mr. Rossi, Clerk.

76th Legislative Day

July 12, 1993

Mr. President - I am directed to inform the Senate that the House of Representatives has refused to recede from their Amendments numbered 1, 2 and 5 to a bill of the following title, to wit:

Senate Bill 498.

I am further directed to inform the Senate that the House of Representatives requests a First Committee of Conference, to consist of five Members from each House, to consider the differences of the two Houses in regard to the amendments to the bill.

PRESIDENT PHILIP:

Senator Butler moves we accede to the request of the House for a Second Conference Committee Report <sic>.

SECRETARY HARRY:

A Message from the House by Mr. Rossi, Clerk.

Mr. President - I am directed to inform the Senate that the House of Representatives has refused to concur with the Senate in the adoption of their amendment to a bill of the following title, to wit:

House Bill 2282, with Senate Amendment No. 1. Non-concurred in by the House, July 12, 1993.

To the Honorable President of the Senate - In compliance with the provisions of the Constitution of the State of Illinois, I am forwarding herewith the enclosed Senate Bill, as vetoed by the Governor, together with his objections.

Senate Bill 62.

Respectively, George -- or, Respectfully, George H. Ryan, Secretary of State.

PRESIDENT PHILIP:

Introduction of Bills.

SECRETARY HARRY:

Senate Bill 1110, offered by Senators Shadid and Hawkinson.

76th Legislative Day

July 12, 1993

(Secretary reads title of bill)

1st Reading of the bill.

Senate Bill 1111, offered by Senator Sieben.

(Secretary reads title of bill)

Also 1st Reading of that bill, Mr. President.

PRESIDENT PHILIP:

Mr. Secretary, have there been any motions filed?

SECRETARY HARRY:

Yes, Mr. President. Senator Jones has filed a motion with respect to House Bill 1861.

PRESIDENT PHILIP:

Senator Jones. Senator Jones, for what purpose do you rise? SENATOR JONES:

Thank you, Mr. President. I ask leave to withdraw the motion. PRESIDENT PHILIP:

Leave is granted. ...(microphone cutoff)...bottom of page 9 of the Calendar, on the Order of Concurrence, Senate Bill 956. Mr. Secretary, read the bill.

SECRETARY HARRY:

I move to concur with the House in the adoption of their Amendment No. 4 to Senate Bill 956.

Filed by Senator Hawkinson.

PRESIDENT PHILIP:

Senator Hawkinson.

SENATOR HAWKINSON:

Thank you, Mr. President. Senate Bill 956 contains the recommendations of the Governor's Task Force on Crime and Corrections. It contains the original bill, which this Body passed on April 16th by a vote of 53 to 1, and that one negative vote was a mistake, and the Senator rose to correct it verbally. The House has amended Senate Bill 956 with House Amendment No. 4, which tightens the bill up and also adds some of the other

July 12, 1993

STATE OF ILLINOIS 88TH GENERAL ASSEMBLY REGULAR SESSION SENATE TRANSCRIPT

76th Legislative Day

recommendations from the Task Force, notably the recommendation and language for the supermax prison, which was an important recommendation of the Task Force. In addition to that, the House has tightened up the requirements. If you'll remember, in our original bill, we did not permit Class X offenders to qualify for any of the earned -- increased earned time or the boot camp or the electronic detention. The House has further tightened that by saying that if you've been in prison twice before, you are -- you will not be eligible for the increased earned time, and while this restricts it somewhat more than our bill, I think it's an appropriate amendment. We also have included provisions from our Senate Bill 483, which deals with the penalties for aggravated assault on correctional employees, which is an important measure...

PRESIDENT PHILIP:

May we please have some order. Now, this is -- this is the final action on this bill. Thank you. Go ahead, Senator. SENATOR HAWKINSON:

...which is an important measure to protect our correctional employees from assault by officers <sic>. It authorizes the closed circuit television testimony for incarcerated defendants. We've had a similar provision in the Judiciary Committee, and I think the provision in this amendment is crafted to meet the objections that were raised initially in the Judiciary Committee, in that it requires the approval of the court before the closed circuit TV can be authorized. This is an important measure. It contains our original bill, with the amendments that I have described. We have a real crisis in corrections with overcrowding. As I explained in April when we passed this 53 to this is aimed not at early release, but it is aimed at protecting the public by reducing the rate of recidivism. now, forty percent of the inmates in our prison are there who have

76th Legislative Day

July 12, 1993

gone from prison right out into society and have victimized society. Statistics have shown that where they've gone through a boot camp or they have received schooling or they have received a skill, that they are less likely to go out and further prey upon the public. I think this is an important measure that deserves our support. I'd be happy to answer any questions; otherwise, I would ask for our concurrence in House Amendment No. 4 to Senate Bill 956.

PRESIDENT PHILIP:

Further discussion? Senator Rea.

SENATOR REA:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. I rise in strong support of the concurrence. I feel that this is a -- a very good package that has been put together. And as visit the correctional facilities and you see the overcrowded conditions and you also begin to understand some of the complex problems there, I think that this is a -- a good piece of legislation that will go for a long ways in helping us eliminate some of the problems that we have here in the State of Illinois. I'm also very pleased to see the supermax prison included there, because after visiting many of these maximum security prisons, I know that we need a facility of that type, not only in order make it more possible for rehabilitation of the ones that are in the maximum prisons -- if we look at the number of days of lockdown that we've had over the last few years, this will help greatly. It also provides the security and protection that needed by our employees that work there - our correctional officers. So I think that -- you know, I want to compliment the ones that have put this package together. I think it's a great package and -- and certainly join with Senator Hawkinson on bill.

PRESIDENT PHILIP:

76th Legislative Day

July 12, 1993

Senator Tom Dunn, for what purpose do you rise? SENATOR T. DUNN:

To address the bill, Mr. President.

PRESIDENT PHILIP:

Go right ahead.

SENATOR T. DUNN:

Thank you very much. I rise in strong support of this as This -- this is a -- I think a reasonable approach to many well. the issues that the Task Force addressed, which I was a member of. I think it's a reasonable approach in paying off the bonds that will provide a certain amount of needed security not only to inmates within the institution, but more importantly, to the people who work there for a living and look forward to coming home every night. The supermax idea is an idea that was first generated by the federal prison system, and I can tell you that no individual is happy that they've been assigned to I think that this will serve as a deterrent to those individuals that are already incarcerated, and you can hold something against their -- over their heads with the threat of sending them to -- to a supermax institution. It increases the penalty for aggravated assault on a correctional officer. There is a provision dealing with earned good time, and I think you'll find that many -- many Senators will vote for this who have a very strong record of -- of support for -- individuals who commit a crime; they should go to jail and stay in jail. don't think that anybody is violating their -- their thoughts or their conscience when they vote for this bill because of the earned time. The boot camp system is a known quantity; it works. We need to send more offenders through that. I urge your support. PRESIDENT PHILIP:

Senator Palmer, for what purpose do you rise? SENATOR PALMER:

76th Legislative Day

July 12, 1993

Thank you, Mr. President. Just a question of the sponsor.

PRESIDENT PHILIP:

The sponsor indicates he'll yield. Senator Palmer.

Senator Hawkinson, I congratulate you for a great deal of good work, obviously. This has come a long way. I just had one question. On the -- I'm looking at my analysis. Why is the maximum sentence length of a participant raised from five to eight years? Am I understanding that correctly?

PRESIDENT PHILIP:

Senator Hawkinson.

SENATOR HAWKINSON:

The Task Force had originally recommended that it be longer than eight years. You're talking about the boot camp eligibility provision. I did not want it to be extended indefinitely, but the problem with the five-year sentence is, when you take into account the day-for-day good time, it severely restricted the number of people, and even first-time offenders, who could be eligible for the boot camp, who the courts and Corrections felt ought to get the dose of the boot camp, and they felt they needed to extend it beyond eight to expand the pool of eligible offenders.

PRESIDENT PHILIP:

Senator Palmer.

SENATOR PALMER:

Thank you. So, I'm not to -- this does not mean that a -- a person who's been convicted would have a longer sentence.

PRESIDENT PHILIP:

Senator Hawkinson.

SENATOR HAWKINSON:

No, that provision deals with eligibility. Now, if they go to the boot camp and they flunk out or they fail the boot camp, then the original sentence can be reimposed, but it would be the

76th Legislative Day

July 12, 1993

original sentence as indicated by the court.

PRESIDENT PHILIP:

Senator Demuzio, for what purpose do you rise?

Thank you, Mr. President, Ladies and Gentlemen of the Senate. On this bill, if I might, Senator Hawkinson, I too want to applaud you for your efforts. I guess we here in Illinois have spent almost five hundred and fifty to six hundred million dollars on correctional institutions over the last ten years, and one of those items that we have spent some money on has been the boot camp. Let me tell you, I've been in the flood area for the two days in -- in the -- actually, two out of the last three days in the flood community down in Hardin, Illinois, and Grafton, and it is a very successful program. I've got good public relations as a result of the guys in the boot camp. They've done a fine job. They're there for natural disasters. The -- the fact of the matter... Pardon me for the interruption. But I think -- I think Senator Collins was interrupting me. She wanted to be on But let me also say that the expansion of electronic detention. the electronic detention program, I think it will be a successful it'll save us a lot of money in the long run. I know it's some -- I guess you could say a daring, bold move that we're doing here, but I think it's one that's essential. And I applaud you and the Commission for taking the action that you've done today. PRESIDENT PHILIP:

Any further discussion? If not, Senator Hawkinson, to close. SENATOR HAWKINSON:

I appreciate the support of those who spoke, but I want to add one -- one note of caution. As Chairman Tony Valukas of the Commission has indicated, this bill is not "the answer" to the problem of crime and corrections in Illinois; it is but one step. This is not going to be cheap. As I spoke in April, we need to do

76th Legislative Day

July 12, 1993

some other things. This amendment does add some of those other things, such as the supermax prison. But this State is going to need to adequately fund our Community Corrections Program that we passed in 1986, because unless we deal with first-time offenders, and particularly first-time juvenile offenders, early on and put the money into those programs, we will not deter them from becoming members of future prison populations. So that's going to cost money. We need to spend money in this State to fully fund the education programs, the -- the skill programs, the vocational programs and the correctional industries, some of which will be controversial. But this is a first step. It's an important first step, and I ask for your Aye vote on concurring on House Amendment No. 4 to Senate Bill 956.

PRESIDENT PHILIP:

This is final action. The question is, shall Senate concur in House Amendment No. 4 to Senate Bill 956. All those in favor, signify by voting Aye. Those opposed, Nay. The voting is open. Have you all voted who wish? Have you all voted who wish? Take the record. On the question, there are 55 Ayes, 1 voting Nay, no voting Present. The Senate does concur in House Amendment No. 4 to Senate Bill 956, and the bill, having received the required three-fifths majority, is declared passed.

PRESIDING OFFICER: (SENATOR WEAVER)

On page 10 of your Calendar, on the Order of Conference Committee Reports. Mr. Secretary, do you have on file a Conference Committee Report on Senate Bill 941?

SECRETARY HARRY:

First Conference Committee Report on Senate Bill 941.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

Thank you -- thank you, Mr. President, Ladies and Gentlemen of

76th Legislative Day

July 12, 1993

the Senate. Senate Bill 941 basically does two things. It allows the Department of Transportation to do a audit on the DuPage County -- Airport, which, in turn, the airport will pay for that audit. They tell me it runs somewhere around seventy-four thousand dollars a audit, and that's annually. Secondly, it -- it provides a Deputy Auditor General for the Auditor General of the State of Illinois. Be happy to answer any questions. I would ask -- certainly ask for your favorable consideration.

PRESIDING OFFICER: (SENATOR WEAVER)

Is there discussion? If not, the question is, shall the Senate adopt Conference Committee Report on Senate Bill No. Those in -- in favor, vote Aye. Opposed, vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? On that question, the Ayes -- take the record. On that question, the Ayes are 51, the Nays are 3, 1 voting Present. The Senate does adopt the Conference Committee Report on Senate Bill No. 941, and the bill, having received the required three-fifths majority, is declared passed. On page 4 of your Calendar, Senator Philip seeks leave of the Body to return Senate Bill -- House Bill 1038 to the Order of 2nd Reading for the purpose of -- for the purpose of amendments. Hearing no objection, leave is granted. On the Order of 2nd Reading is House Bill 1038. Mr. Secretary, are there any Floor amendments? Senator Philip, did you wish to table an amendment? Senator Philip.

SENATOR PHILIP:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. I move to table Amendment No. 3 to House Bill 1038.

PRESIDING OFFICER: (SENATOR WEAVER)

Is there leave? Leave is granted. Senator Philip. SENATOR PHILIP:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. Now I move to withdraw Amendment No. 5 to House Bill

76th Legislative Day

July 12, 1993

1038.

PRESIDING OFFICER: (SENATOR WEAVER)

Is there leave? Leave is granted. Mr. Secretary, are there any Floor amendments approved for consideration?

SECRETARY HARRY:

Amendment No. 6, offered by Senator Philip.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

I would move the adoption of Amendment No. 6. It is the entire bill, and we will debate it on 3rd Reading.

PRESIDING OFFICER: (SENATOR WEAVER)

Is there discussion? If not, all in favor of the adoption, signify by saying Aye. Opposed, Nay. The amendment's adopted. Any further amendments?

SECRETARY HARRY:

No further amendments, Mr. President.

PRESIDING OFFICER: (SENATOR WEAVER)

3rd Reading. On the Order of 3rd Reading is House Bill 1038. Mr. Secretary, read the bill.

SECRETARY HARRY:

House Bill 1038.

(Secretary reads title of bill)

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip, to explain the bill.

SENATOR PHILIP:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. And as you're probably aware, House Bill 1038 - the bill now is Amendment No. 6, which we have just adopted. Amendment No. 6 does two things, basically. It makes four taxes permanent, and one of the taxes is the Chicago vehicle use tax, just for the City of Chicago, which raises about two million dollars a year; the

76th Legislative Day

July 12, 1993

telecommunication tax, which is a statewide tax which raises about twenty-seven million dollars a year; photofinishing tax, which is a statewide tax which raises about 4.5 million dollars a year; and the -- last but not least, the Chicago use tax, which just is in the City of Chicago, some 6.5 million dollars. It also puts on the ballot - in Cook County only - on the November 1994 general election, the proposition of tax caps for Cook County. I'll be happy to answer any questions, and I certainly encourage you to vote Ave.

PRESIDING OFFICER: (SENATOR WEAVER)

Is there discussion? Senator Jacobs.

SENATOR JACOBS:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. Would the sponsor yield for a question?

PRESIDING OFFICER: (SENATOR WEAVER)

He indicates that he would yield.

SENATOR JACOBS:

Senator, as I read this, and as I look at our analysis, this indicates that as of this date, none of these taxes are being collected in the State of Illinois. Correct?

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

Yes, that is correct.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Jacobs.

SENATOR JACOBS:

So, what we are saying is then, we are enacting taxes to the tune of around thirty-five million dollars. And in addition to that, are we extending the five percent of the gross retail charge on intrastate and interstate telecommunications to all communities in the State? Are we broadening that tax to include other areas

76th Legislative Day

July 12, 1993

of the State outside of Chicago or Cook County?

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

The tax is already statewide. It expired on June 30th.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Jacobs.

SENATOR JACOBS:

Well, I just want to point out again -- and, you know, as far as I'm concerned, these taxes are not onerous in and of themselves, but I guess I do want to point out again that we are dealing with the issue of taxes, and just want to point that out to the Members on this side of the aisle.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Hendon.

SENATOR HENDON:

Thank you, Mr. President. Will the sponsor yield for a question?

PRESIDING OFFICER: (SENATOR WEAVER)

He indicates he will yield.

SENATOR HENDON:

On the property tax cap, why is this limited to Cook County only? Why isn't it statewide?

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

Yes. As you know, we have it in the five collar counties now. If it was up to me, we'd put it on the ballot statewide, but there wasn't a lot of support on your side of the aisle for statewide cap -- tax caps, so we have decided to put it on the ballot in Cook County. And I might remind you, Cook County's got some of the highest real estate taxes in the State. The farther downstate

76th Legislative Day

July 12, 1993

you go, the -- the smaller the real estate taxes.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Hendon.

SENATOR HENDON:

On the telecommunications tax, will you explain that to the Body? Is -- is this a tax every time a person makes a long distance phone call, or is it a tax whether they have Sprint or AT&T, or no matter what carrier they have? It's a -- is it a -- is this what this tax is? Or does the tax also include a call that's made into a different area code, such as a 312 calling to a 708? PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

Yes, it's -- it's intrastate or interstate - either one. It's on -- on anybody who makes a call. Now, let me say this: Downstate there are only about nine or ten communities that have put the tax on. And -- and, of course, most of those communities have some kind of a -- a catalogue outlet or somebody makes a lot of telephone calls. Most of the money, of course, is -- is raised in the City of Chicago, because they do a lot of telephone calling.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Hendon.

SENATOR HENDON:

Well, in conclusion, I'm going to urge all of my colleagues to vote No on this tax package, because it makes no sense to me to already -- overburden a community that's already overtaxed. And here we are adding four new taxes - and they are new taxes. If -- if it sunsetted June 30th, it's over. So these are new taxes, and it makes no sense to me to constantly tax the people of this State. Here we've got a vehicle tax for Chicago, a telecommunications tax, a photofinishing tax, a use tax - just

76th Legislative Day

July 12, 1993

taxes, taxes, taxes. I think it's time out for overtaxing the people of this great State, and I hope that each and every one of my colleagues on both sides of the aisle will vote No against these aggressive taxes.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator LaPaille.

SENATOR LaPAILLE:

Thank you, Mr. President. Can -- will the Gentleman yield for a question?

PRESIDING OFFICER: (SENATOR WEAVER)

He indicates he would.

SENATOR LaPAILLE:

Will the Governor be supporting these tax extensions, increases, et cetera, Senator Philip?

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

Yes.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator LaPaille.

SENATOR LaPAILLE:

I think this is a very good -- time to start adding up the tax and spending calculation of Governor Edgar. And we should take a look at his inaugural address when he said, "We should not raise taxes at the State level." Then on October 5th of '90, State Journal-Register, "We can't go back to the voters year after year and ask for more money." So, as we see, the clock is starting to tick. We're at forty million and counting.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Dudycz.

SENATOR DUDYCZ:

Thank you, Mr. President. I -- I'd like to refer to a portion

76th Legislative Day

July 12, 1993

of the bill which -- which has not really been mentioned, or much has been mentioned of it, and that's the referendum on property tax caps in Cook County. As you know, for years I and others have been screaming that the people of Cook County are in desperate need of property tax caps. A year ago, almost a year ago exactly, or a couple of years ago - I don't remember - it seems like it was a decade ago that I was screaming how jealous I was of my -collar county colleagues because they had tax caps for their community. It's the Members of -- of this Body on the other side that were opposed to tax caps. And this is a compromise that --I think that we all can live with. We said -- many of us said that we do need tax caps; others said we do not need tax caps. Well, why don't we give it to the voters to decide whether want tax caps or not? This will put the question on the ballot in the 1994 election. I think everybody should vote for it. Give your voters an opportunity - Senator Hendon, your voters - and voters an opportunity to -- to voice whether or not they do want tax caps. As far as the four taxes that we are voting for, Yes, for the last twelve days they have are existing taxes. lapsed, but prior to July 1st, these taxes were in place. were there for the municipalities to impose if they so desire. It was permissive. I think we -- it's a -- it's a good compromise. I think everybody should vote for it, and give our -- our homeowners, our voters, an opportunity to vote for tax caps.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Fawell.

SENATOR FAWELL:

Will the sponsor yield for a question?

PRESIDING OFFICER: (SENATOR WEAVER)

He indicates he would.

SENATOR FAWELL:

Senator, these -- the monies that are raised with these four

76th Legislative Day

July 12, 1993

taxes, do they go to the State, or do they go to the municipality that -- that asks for them?

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

They all go to local governments.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Fawell.

SENATOR FAWELL:

If -- and if a municipality doesn't want to put the tax on, do -- are we forcing them to put this tax on?

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

We are absolutely not forcing them on. The telecommunications tax downstate I believe is on nine communities, in -- all of the downstate area. So, it is a local option.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Fawell.

SENATOR FAWELL:

So in other words, if the City of Chicago doesn't want this money, there's really no reason that they have to take it. They can just keep the status quo. If they do want the money - which I have a strange feeling is the reason why this bill was introduced - then they can put the tax on themselves. We are not putting any taxes on. We are merely allowing the municipalities to have the option to put the tax on themselves. If they don't want to do it - blessings be upon them - they don't have to.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Palmer.

SENATOR PALMER:

Thank you, Mr. President. A question of the sponsor.

76th Legislative Day

July 12, 1993

PRESIDING OFFICER: (SENATOR WEAVER)

He indicates he would yield.

SENATOR PALMER:

Senator Philip, this year there were a number of bills introduced, particularly in Revenue Committee, that would have — that requested exemptions to tax caps already in place. I'm reading the wording for the referendum, and I'm wondering: Will there be some separate papers that indicate to voters what the potential loss of revenue is to the State as a result of their vote, so that they can be an — make an informed vote?

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

No. As you know, it'll be on the ballot, and it'll explain it on the ballot. If it would pass, I would assume we would come back here the following Session and put together the actual tax cap for Cook County.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Palmer.

SENATOR PALMER:

Thank you, Mr. President. So just to reiterate this: That this will be a vote -- and I know this is very -- a seductive vote. I, myself, were I not better informed about consequences, would -- certainly would want my property taxes cut. But I'm sorry to hear that there will not be some information to voters so that they understand what the potential is, the consequences for their vote to their schools and libraries and parks, vis-a-vis some of the bills that we got seeking exemption this year.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator McCracken.

SENATOR McCRACKEN:

Thank you. Will the sponsor yield?

76th Legislative Day

July 12, 1993

PRESIDING OFFICER: (SENATOR WEAVER)

He indicates that he would.

SENATOR McCRACKEN:

Senator, is it correct that other than the considerations you've already made reference to, the reason the referendum was chosen for Cook County is because of its relatively unique character in the State as regards its assessed value; that it's been climbing dramatically, along with the other collar counties, which already have the tax cap in force?

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

Yes.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator McCracken.

SENATOR McCRACKEN:

Yes. Is it -- is it correct that, in fact, relative to any other county in the State, including the collar counties, that its assessed valuations have risen dramatically and placed a terrific onus on the property taxpayer, particularly in Cook County, as regards the remainder of the State not already covered by the law? PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

Absolutely correct.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator McCracken.

SENATOR McCRACKEN:

And is it correct that these constituted some of the fact findings of the Executive Committee when it considered this subject matter?

PRESIDING OFFICER: (SENATOR WEAVER)

76th Legislative Day

July 12, 1993

Senator Philip.

SENATOR PHILIP:

It certainly did.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator McCracken.

SENATOR McCRACKEN:

On to another part of the bill, Mr. President. Let's get it straight where these four taxes came from, Ladies and Gentlemen. These weren't requested by this side of the aisle. These were requested by the City of Chicago. These give the City of Chicago the authority to enact taxes. Two of them do, in theory, apply statewide, but have limited utility in the rest of the State. So when we want to count up forty million dollars, let's put the forty million dollars where it belongs: It belongs at City Hall; it belongs in the wards; it belongs all over the City of Chicago. That's where it came from. That's who's asked for the authority tonight.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Jones.

SENATOR JONES:

Thank you, Mr. President and Members of the Senate. You know, this has been a very, very long Session, and many of the issues that we have debated on this Floor were debated in our respective committees. There has been much talk about property tax cap, property tax referendum, property tax this, property tax that. But let's make one thing crystal clear: Property tax cap is not property tax relief. All property tax caps do is say you cannot raise over a certain percentage. So it's not really relief. I recognize that the people of the State of Illinois voted fifty-eight percent to increase the income tax for education. It didn't receive the constitutional majority of sixty percent, but then fifty-eight percent of the people did vote by referendum. As

76th Legislative Day

July 12, 1993

it relate to an advisory referendum -- and I -- I -- and I want to make that crystal clear: as "advisory" referendum, that is all that this referendum says. So we said we want to have the people have a say, but the other side of the coin is if you shut down the property tax, you must in turn place that burden where it belongs: on the State of Illinois. So we are -- we have four local taxes that impact not only the City of Chicago, but they impact all -most municipalities across the State of Illinois. compromise on this piece of legislation. I know the Governor said he didn't want to raise taxes. So he raises them in this bill. I have no problem with that. I urge my colleagues to support it, and let the people speak. But the people should also speak on the referendum that if we cut the property tax, as they should be cut, or give property tax relief, then the burden in turn must be shifted to the State. You cannot have it both ways. You cannot have your cake and eat it too. I urge my colleagues to vote Yes on Senate -- House Bill 1038.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator DeAngelis.

SENATOR DeANGELIS:

Thank you, Mr. President. A question -- two questions of the sponsor.

PRESIDING OFFICER: (SENATOR WEAVER)

He indicates he would yield.

SENATOR DEANGELIS:

On the issue of the telecommunication taxes and the other taxes, does the City of Chicago want those taxes?

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

It is a request of the City of Chicago.

PRESIDING OFFICER: (SENATOR WEAVER)

76th Legislative Day

July 12, 1993

Senator DeAngelis.

SENATOR DeANGELIS:

Secondly, has the Mayor of the City of Chicago been on record in support of tax caps?

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip.

SENATOR PHILIP:

If I remember correctly, the City Council, in its great wisdom, passed tax caps for the City of Chicago.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator DeAngelis.

SENATOR DeANGELIS:

Thank you. As a reminder to those who have spoken in whatever way they want to, there's an old song that says "You always hurt the one you love." And for those of you who have chosen to speak against this, from the City of Chicago, let me remind you that the city that you love is the one that's in support of this.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Hendon, for a second time.

SENATOR HENDON:

Thank you, Mr. President. First of all, I want to make it perfectly clear: I don't represent the City of Chicago; I represent the people of my district who sent me down here. I don't represent Mayor Daley - don't intend to represent Mayor Daley. The people are tired of these taxes. And you can say what you want to. It's a statewide tax. Now, Mr. President, I support the property tax caps. I did -- I stood in this Chamber and said I did, and I continue to do so. Therefore, I call for a division of the question, Mr. President. Under our rules, Senate Rule 7-14, page 28, says, "If the question in debate contains several points, any Senator may have the same divided." Therefore, since a -- you're raising four taxes at the same time that you're

76th Legislative Day

July 12, 1993

lowering -- capping taxes, are not germane, I call for a division of the question.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Hendon. Senator Hendon, this is one amendment, and the question will be put. It's on 3rd Reading. We had debated it. Do you have any further questions? This -- the bill is on 3rd Reading. The bill is on 3rd Reading; that's final action. Any further questions? Senator McCracken. Senator McCracken.

SENATOR McCRACKEN:

It doesn't apply, because the question is nondivisible. The question is: Shall the bill pass? That's one question, indivisible in nature. That does not apply. It is not divisible. PRESIDING OFFICER: (SENATOR WEAVER)

Senator Philip, to close. Senator Philip, to close. SENATOR PHILIP:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. You know, we've had tax caps in DuPage County now for two tax bills, and believe me, they work. Our tax bills in our county are down drastically. All this does is afford the citizens of Cook County to vote on the issue. If they want it, they'll pass it. If they don't, they'll defeat it. Secondly, on these tax extensions - because these taxes have been on for a two-year period - two are statewide, two are Chicago only, and it's left up to local government. If the local government does not want to put them on, they will not put them on. So I will certainly ask for your favorable consideration.

PRESIDING OFFICER: (SENATOR WEAVER)

The question is, shall House Bill 1038 pass. Those in favor will vote Aye. Those opposed, vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 36, the Nays are 18, 2 voting Present. The bill, having received the constitutional

76th Legislative Day

July 12, 1993

majority, is required -- passed. And the bill, having received the required three-fifths majority, is declared passed. On the Supplemental Calendar, on House Bill 2282, Senator Watson, you wish to make a motion?

SENATOR WATSON.

Yes. Thank you, Mr. President. I would ask that we refuse to recede from House action on Senate Amendment No. 1, and ask for a conference committee report -- or a conference committee.

PRESIDING OFFICER: (SENATOR WEAVER)

Any discussion? If not, Senator Watson moves that the Senate refuse to recede from the adoption of Senate Amendment No. 1 to House Bill 2282, and that a conference committee be appointed. All those in favor, say Aye. Opposed, Nay. The Ayes have it. And the motion carries, and the Secretary shall so inform the House. On the Calendar -- Supplemental Calendar, on the Order of Conference Committee Reports, Mr. Secretary, do you have on file a Conference Committee Report on Senate Bill 677?

SECRETARY HARRY:

First Conference Committee Report on Senate Bill 677, Mr. President.

PRESIDING OFFICER: (SENATOR WEAVER)

The Chair recognizes Senator Maitland.

SENATOR MAITLAND:

Thank you very much, Mr. President and Members of the Senate.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Maitland.

SENATOR MAITLAND:

The First Conference Committee Report on Senate Bill 677 does a number of things, and let me indicate to you what those different areas are. Number one, it extends the hospital assessment program from July 1, 1993, through June 30th, 1995, at a rate of 1.88 percent of a hospital's gross patient revenue less

76th Legislative Day

July 12, 1993

Medicare contractual allowances. It exempts eighty-eight rural hospitals from the tax. It provides for any extra cigarette tax proceeds to be transferred into the Hospital Provider Fund in order to lower the FY'95 hospital tax rate. Secondly, it a one-dollar-and-fifty-cent-per-day licensing fee on all nursing home beds for two years. All nursing home and hospital bed -- all -- all nursing home and hospital-based long-term care beds, except developmentally disabled beds, would be charged a dollar-fifty licensing fee to generate approximately fifty-five and a half million dollars to help offset the elimination of the dreaded six-dollar-and-thirty-cent nursing home assessment that we had last year. This fee would be collected quarterly by the Department of Public Aid and deposited directly into the Long-Term Care Provider Fund. Nursing facilities would be prohibited from passing this fee on to any resident. Number three, it eliminates GR funding for Cook County Hospital. It changes the calculation intergovernmental transfers from Cook County Hospital. result is that all Medicaid payments to Cook County Hospital will be made through intergovernmental transfers and no GRF would go to these county hospitals. Fourth, it increases the cigarette tax by The rate goes from thirty cents to fourteen cents a pack. forty-four cents per pack of cigarettes of twenty cigarettes. Includes a floor tax on current inventory. The Illinois Economic and Fiscal Commission estimates new revenue to be one hundred five million dollars. The effective date would be when the bill is signed. Fifth, it creates a -- the tobacco products tax. Ιt imposes a new tax on distributors of non-cigarette tobacco products. And finally, Mr. President, it imposes a six-percent assessment on long-term care facilities for the developmentally disabled for a period of two years. President, I move the adoption of Conference Committee No. 1 to Senate Bill 677.

76th Legislative Day

July 12, 1993

PRESIDING OFFICER: (SENATOR WEAVER)

Is there discussion? Senator Jacobs.

SENATOR JACOBS:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. I stand in strong opposition to this bill for a couple of reasons. Number one, this is being sold to all of us as a replacement of the granny tax to ensure that there are -- is going to be funding the nursing homes, and nothing could be further from the The nursing home tax, known as the granny tax, is over truth. this is a new tax, and it 30. Again, hundred-and-five-million-dollar tax increase. Call it what you That's what we are being told it's going to generate. will. Well, I've got news for you: It will not generate a hundred and five million dollars. And the fourteen cents that we're talking about as a tax, by the time it gets to the consumer, will minimum of twenty-five cents, because everyone is going to add their profit margin onto the cost, which is a cost of doing And then on top of that, they are going to add the six-and-a-quarter-percent sales tax. Those of us who live on the borders, as we do in the Ouad Cities with Iowa, even though the sister state is currently under water, unfortunately, would still drive across the river for twenty-five cents a pack. For a nickel a pack, a dime a pack, they may not do that. While they're over on the other side of the river, they're not only going to buy their cigarettes; they're going to buy their milk; they're going to buy their gasoline. And for those who live further in, they're going to the Bloomington area or down to Springfield, they're going to go over to the other side of the river and buy an extra four or five cartons of cigarettes in Iowa and bring into Illinois and pass them on here. The original intent of this, again, as I reiterate, is to take care of the nursing homes. hospitals has been taken care of pretty well. So, this is a

76th Legislative Day

July 12, 1993

nursing home tax, and in many cases we're told that, as an example, smoking may very well be -- lead to an early death. So again, we're using a tax which doesn't relate to the issue at hand. But I think we're just really sitting here batting our heads against a wall, thinking that this is going to raise a hundred and five million dollars. Actually, I feel that if -- at best bet, if you raise twenty-five to thirty million dollars off of this tax, because of the loss of other dollars that you're going to have whenever you go across the border, then I'll be the most surprised cat in town. I think this is -- what we're trying is very, very important. There's other alternatives out there, and this Governor has been given the alternative to -- to look at other tax increases or other forms of taxation that could offset this cigarette tax. I think it's onerous. I think that it is -- is regressive. And if my mail is any indication of what most of the border communities are like, it is probably one of the best lobbied bills I've seen this year by what I consider the only tobacco lobby that I care about; that's my constituents who happen to be smokers who have indicated very clearly that they are violently opposed to this bill. And I just ask everyone on side of the aisle to vote No.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Geo-Karis.

SENATOR GEO-KARIS:

Mr. President and Ladies and Gentlemen of the Senate, I had constituents of mine call me and write to me not to support a cigarette tax in the amount of seventy cents per packet. I had talked to them about twenty-five cents per packet; they didn't seem to mind too much, because as one constituent said to me: "Well, maybe then I'll cut down smoking." Smoking's -- smoking's supposed to affect our health deleteriously. And when you talk about border towns, may I remind my estimable colleague on the

76th Legislative Day

July 12, 1993

other side that I live in a border town, next to Wisconsin. Now, fourteen cents a pack is not that much to pay when you're thinking of a -- a tax that's been in effect against senior citizens who've saved all their lives to take care of themselves in a nursing home and then we've made them pay six dollars and thirty cents a day to help others who didn't have any means and who are in a nursing home. It's not fair to tax someone who's trying to do their best. I think that this tax is a good tax. And talking about lobbies, I might tell you that the tobacco lobby has been very extensive - very extensive. And I can honestly tell you that this is probably a fairer tax than what may -- it may seem on the surface, because it does affect your health when you smoke; two, you are helping take an onerous burden off the older people; and three, it's a necessary tax. And I support it.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Shaw.

SENATOR SHAW:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. I rise in opposition to the fourteen percent — fourteen—cents increase in the cigarette tax, and I — I believe that there is a better way. And certainly I don't want it to be said that I'm a — because of the fact that both the hospital — the — the assessment is attached to this bill, which is the seniors, and the cigarette tax is attached to the same bill, and I don't want it to be said that I'm against the seniors. Certainly I support the seniors. If it's their — if there's any single group in this State that need the support of this Body, it is the seniors, because they have done so much for our State. But I just believe that there is a better way than a fourteen—cents increase in terms of taxing cigarette — the cigarettes. My district is on the border of the Illinois line, and you can get cigarettes — walk right across out of my district and get cigarettes over there

76th Legislative Day

July 12, 1993

much cheaper after this cigarette is -- after this cigarette tax is passed, and certainly that would impact upon the ma-and-pa stores that people depend on so much to make a living. And would put people out of work, and I think it will put an awful lot of people out of work in this State if we raise this tax by fourteen cents. I -- I believe that what we are talking about jobs, and a lot of people is going to lose jobs as a result of this tax. Not only that, the anticipated revenue you're talking about generating from this tax, I think we'll have to -- we'll have to come back here and find some additional revenues to -- to fund the very thing that we think we're funding today. I think it's a bad idea. I think that we could come with a better idea, and I think that this should go back to the drawing board and come back again. I urge a No vote, or ...

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Trotter.

SENATOR TROTTER:

Thank you very much, Mr. President, Members of the Senate. too rise in opposition to Senate Bill 677. And let me be As everyone here in this Chamber knows, perfectly clear. been a drum major for hospitals. So it's certainly not because I'm against the hospital assessment end of this bill, and certainly not because I'm against the seniors. But I, too -- like the previous speaker and the speakers before him, I represent a district that borders along Indiana, and I represent a district that's -- is very tenuous in its security and also its position, as far as in trying to enhance and build -- and build and grow its economic development base. What this bill would do, it will force the people in my community to go across the -- just across the street, and they will -- as pointed out earlier, they will -- not only be doing cigarette shops - they're not going to buy one pack; they're not going to spend fourteen cents - they're

76th Legislative Day

July 12, 1993

going over there to buy cartons. They're going to go there and buy their milk; they're going to buy their bread; they're going to do their grocery shopping - all the way down the line - their clothes shopping, and they're going to buy gas. Because of these regressive taxes that we continuously impose upon the people of Illinois, we're going to keep losing jobs; we're going to lose business, and we're going to lose a lot of revenue that we're counting on to help fund these nursing homes and these other initiatives that we pass. I have been - as many of these Members have been - for a progressive -- a progressive and also a If we're serious about funding health care graduated income tax. at the level that it should be funded, then we need to be looking at some real taxes. Let's stop playing this semantical game of having these surcharges, these other little cigarette taxes, these sin taxes, and pass a tax that's going to fund education, health care and keep Illinois viable as a State in this country. And I ask all to vote No for this initiative.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Topinka.

SENATOR TOPINKA:

Well, yes. Mr. Chairman and Ladies and Gentlemen of the Senate, first of all, I'd like to commend the -- the Legislative Leaders and the budgeteers for taking the kind of time they did to come up with some kind of a solution to the granny tax, which had to be one of the poorest choices, in terms of public policy, that ever -- we've ever put out of this Legislature. And the time they've taken, I think, is worthwhile, in that it does give us an option. I'm personally going to be voting Yes, and I am a smoker. However, I will tell you that this in no way should be looked at as solving the Medicaid crisis in the State of Illinois, because this is probably one of our biggest growth industries, especially -- and may I have some quiet, please, Mr. Chairman -- Mr.

76th Legislative Day

July 12, 1993

President? May I have some quiet? Thank you.

PRESIDING OFFICER: (SENATOR WEAVER)

Let's take our conferences off the Floor, please.

SENATOR TOPINKA:

Medicaid is and remains probably one of the biggest arowth industries in this State, especially as Illinois ages. At best, this will be a stopgap and political solution to this problem. will have to return to this problem again, because when you fund programs that are supported by the State, they can't be funded on foundations of sand, and that is what building on sin taxes You get declining revenue. I'm not real pleased with this solution, but I think this is the only game in town. When you think that it's either taxing cigarettes and tobacco products or throwing granny out the door of the nursing home, I think the options become very, very clear. I think it's unfortunate that we did not seek out other better ways to fund this program. Those -those ways existed. They apparently were politically not viable. This was. And I would encourage the Legislature to hold its nose and vote for this, at least to get us over another hump in terms of Medicaid.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Rea.

SENATOR REA:

Thank you, Mr. President. I'd like to speak to a portion of Senate Bill 677 that has to do with the cigarette tax. And to me it's not a matter of smoking or nonsmoking; it's a matter And I probably have experienced this anybody in this Body, because my district Kentucky and Missouri. The highest tax is 15.5 states: Indiana, - fifteen and a half cents. The State of Kentucky three-cent tax. At the present time, people are going across the border; they are buying cigarettes by the cartons. And if this

76th Legislative Day

July 12, 1993

should pass, they will be buying them by the cases and bringing them into Illinois. And they won't just bring them to the border area; they will bring them into Springfield and other parts of the State, because there is a big difference in the cost. It's a matter of jobs, as far as I'm concerned, because there are those small businesses - there's the mom-and-pop shops. And it may not mean too much to some of you, but in my district, it means a lot. And I think that there's other ways and means of raising the monies that needs to be replace -- to replace the granny tax. opposed to a granny tax, but I think there's other alternatives or ways of funding it. So I would ask that you look very carefully at this legislation as you cast your vote here tonight, because -it's -- in the past, I do not feel that in other taxes, that the State has provided the taxes and the revenues that has been I think we'll find the same thing here, because as projected. they cross over into the other states, they will buy the gasoline; they may go out for dinner; they might buy clothing; they may even buy a new car. So we lose those sales taxes. So, overall, will not be the gains that you may think. I would ask for an Aye -- or for a No vote.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Hendon.

SENATOR HENDON:

Thank you, Mr. President. Well, we've been here about half an hour, and in this thirty minutes if -- if this bill goes through, you will have - not -- and I didn't say "we," because I'm not going to vote for it - have raised the taxes on the people of Illinois four hundred and ninety-four million dollars. That's how much you will have raised the taxes if you vote for this tax. And this tax -- Ladies and Gentlemen, this counts as not only a bad tax, but it's a tricky tax. It is manipulative to pit granny against cigarettes, because a lot of grannies smoke cigarettes.

76th Legislative Day

July 12, 1993

And let me tell you something: I can see Al Capone right rising from the grave, getting his bootlegger trucks ready, because that's what they're going to do. They're going to roll those cigarettes in from Kentucky; they're going to roll those cigarettes in from Indiana; they're going to roll those cigarettes in from Missouri, and you're not going to realize the revenue that you think you're going to get. And when the people get in that car, they get in that little station wagon, from your district, and ride down there, yes - like Denny said - they're going to buy bread; they're going to buy the papers; they're going to buy the milk; they're going to buy everything, and the revenue projections of the sale taxes for the State of Illinois are going to go down, down, down. So what you're doing here is overtaxing the people of this great State, and the people of Indiana, they're That's great." The people in Missouri, saying, "Hallelujah! they're so happy right now because they know you're going to help them out. The people in Kentucky, they're saying, "Come on down, ladies and gentlemen, come on down." Because the people of Illinois are not smart enough to come up with another alternative. All they want to do is tax the people of this State, tax the people one hundred and five million -- fifty-five million from the granny tax, because it's still there. It might be a little lower, but it's still there. Ten million from the loophole. Sixteen million from the six-percent assessment, and two hundred and sixty-eight million for the hospitals. Four hundred and sixty-four million dollars, from a Governor who said, "No new taxes." Read his lips. He's raising the taxes through the roof. I urge you to vote No.

PRESIDING OFFICER: (SENATOR WEAVER)

For what purpose does Senator McCracken arise? SENATOR McCRACKEN:

I couldn't hear the Gentleman. Could he repeat his remarks?

76th Legislative Day

July 12, 1993

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Palmer. Senator Palmer. Senator Palmer.

SENATOR PALMER:

Thank you, Mr. President. I'm going to vote for this bill not only with reluctance, but with a great deal of sadness. I think that there has been more than enough disinformation put out about And for those of you who want to the so-called granny tax. reflect on our actions today, I suggest that you read the Reader to get at least an in-depth look at and a history of how we this moment in time. I suggest to you that this is an unstable source of revenue; it will be momentary, and that when we vote for this, we are delaying, in fact, what a State such as this ought to consider, and that is how to fund one of its most fundamental human needs, and that is health care. I suggest that even as I cast this vote, and those of you who are voting for this, that you leave this Body and over the summer come back prepared to vote for and to put together a package I'll leave it at that, but let us consider this a temporary and unfortunately necessary move.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Butler.

SENATOR BUTLER:

Thank you very much, Mr. President. Thank you -- thank you, Senator Palmer. I would have had a tough act to follow if I had -- if you had not interspersed between us. You know, the older I get, the more often I say I don't understand. Here's another event that that phrase -- I don't understand why the -- the people whose constituents will be helped the most are speaking the loudest and the longest against this. The idea here -- this bill is designed to keep open hospitals now on the brink of closing. It's as simple as that. The largest number and those deepest in debt are represented by the people who are talking against this

76th Legislative Day

July 12, 1993

bill. It is -- the same thing applies to the nursing homes. We're trying to keep open nursing homes, and the largest number and those deepest in debt are represented by the people who are The fourteen-cent tax on a pack speaking against it. cigarettes may be -- may be high. And let's concede, if we don't get a hundred and five million out of this, we may seventy-five. But this matter has been on the table now for months, and nobody has come up with an alternative. And here we are trying desperately to raise money to keep those hospitals and nursing homes only, and we're -- and we're just blowing smoke, you'll pardon the expression, over this whole situation. to point out that the -- one of the largest amounts of money will be raised by -- by the hospitals who are fiscally sound. Hospitals who are fiscally sound are taxing themselves, in order to help those that are in problems. I think we ought to just face -- face this fact very clearly: The cigarette tax is one means of raising money; the other is that the hospitals are taxing themselves. We're in for a redistribution of money. Let's stop blowing smoke and let's get this thing rolling.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Carroll.

SENATOR CARROLL:

Thank you, Mr. President, Members of the Senate. I rise in opposition to the tax portion of this bill. I'll agree with many of the prior speakers, and as every Member of this Chamber knows, I've worked long and hard on assuring that hospitals, nursing homes and developmental disability facilities stay open in this State, without which we will have a health care crisis second to none. But I wonder why we try to do this and hurt our own economy at the same time, when there have been other solutions, including a lesser and more realistic cigarette tax, proposed. But no one wants to talk about that. Governor said, of course, there'd be no

76th Legislative Day

July 12, 1993

His original speech said a "cigarette assessment." Now I tax. asked, on this side of the aisle, for a pack of cigarettes, since I don't smoke, to see -- cigarettes, to see what the -- what it said on the stamp. Did it say "tax" or "assessment"? The the package I got has a Kentucky stamp on it, and that Member saved four dollars and twenty cents buying it Kentucky side ο£ the river. In Chicago, it will seven-dollar-a-pack -- a-carton, excuse me, savings for carton they buy. And if you're south side of Chicago, it could be close as two minutes away, by crossing over the border, to buy a carton of cigarettes. Spoke to a man who owns six convenience stores in the Belleville-Alton-East St. Louis area. A hundred and eighty-five employees. He said not only are we taxing him out of business, but Illinois is being nice enough to build a bridge over - if there is any Mississippi left - so that the people can go across easier to buy their cartons of cigarettes along with their milk and eggs and whatever else they would buy at a convenience He said, in fact, if we pass this, because of our gasoline tax in addition, it'll be twelve dollars cheaper for a person to drive three minutes across the bridge, fill up their gas tank and buy one carton of cigarettes. Of course, they can bring back ten without violating any law, without any bootlegging. Twelve dollars cheaper. So he said his hundred and eighty-five employees will probably drop to about sixty, because he's going to have cut off most of his employees - his sales will drop that much. guesses he'd probably be out of business in a year or two. one of many, of many, of many. And it's a shame we've got to concentrate on what the Governor demanded to keep health care viable in Illinois, when, as I said before, other alternatives are, in fact, available. If you look at this tax, the Governor admitted to huge bootlegging. If you took existing sales of cigarettes at the existing tax, added fourteen cents to those

76th Legislative Day

July 12, 1993

pack-of-cigarette equations, anybody have any idea how much money that's supposed to bring in? Well, the number happens to be a hundred and forty-nine million dollars. The tax will produce, according to the Governor, a hundred and two million dollars. What happened to that forty-seven million dollars? When asked, "There's your bootlegging." Forty-seven million they said. What does that mean in sales? Seven hundred dollars of taxes. million dollars? Just in cigarettes. People who go to a convenience store don't buy just cigarettes normally. They'll buy eggs; they'll buy milk; they'll buy something else. A billion? Two billion dollars? I don't know. Economic and Fiscal, I'm sure, could do an extrapolation for us. Why would we want to harm our economy to a couple billion dollars, when, I say again, better alternatives are available, including a more reasonable cigarette tax, which I personally would support? Have any of you ever bought shampoo, or shaving cream, or toothpaste, or deodorant? Senator Geo-Karis indicated no to the shaving cream, but yes to the others. Do you know if you pay sales tax on it or not? a fifty-three-million-dollar word; that word is "medicated". The way the Department of Revenue interprets our exemption on food and drugs is not prescription drugs, like you and I thought; but if on that tube of toothpaste, that bottle of shampoo, that can of shaving cream, or any of those other products, it's regular, sales tax is charged. If, on the other hand, it says "medicated shampoo", Department of Revenue says that's tax exempt. If you take that list - consumers all assume they pay it; many of them probably do...

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Carroll, would you bring your remarks to a close? SENATOR CARROLL:

I will bring my remarks to a close as soon as possible, Mr. President. Fifty-three million dollars, according to Economic and

76th Legislative Day

July 12, 1993

Fiscal, is lost by that loophole - fifty-three-million-dollar loophole - that we should, in fact, be closing. That's half of the requested cigarette tax. You could cut the tax down to seven cents and close that loophole and keep hospitals open, nursing homes and developmental disability facilities going. That's the way to go. I intend to vote No until we have a reasonable plan for this.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Lauzen.

SENATOR LAUZEN:

Senator Carroll? You know, you say that a colleague gave a pack of cigarettes that has a Kentucky stamp on it. May I rhetorically ask you why it is that Democratic Senators in the State of Illinois buy their cigarettes in Kentucky? But -- but more -- but more to the point. You know, when Senator -- when Senator Hendon gets worked up and Senator Jacobs gets worked up about how much this is going to destroy our economy, simple mathematics on what this means - and where the number comes up that ten packs at fourteen cents per pack is going to cost seven dollars, not sure. But a person who's smoking two packs a day, if that person's going to get in their car, travel to another state for a dollar and ninety-six cents per week, I think that we're not giving the taxpayers and citizens of Illinois credit for a more rational decision than that. I think that this is not a question between a tax and no tax; it's a question between the lesser of two evils. We have the granny tax that cripples people who have saved their whole lives - twenty-five hundred dollars a year - versus if a person smokes two packs a day for an entire fourteen cents per pack; that's about a hundred and two dollars on something that's up to their discretion. I think the -- that maybe this is not a perfect solution, but it goes a long way in the right direction, and -- and certainly it's not

76th Legislative Day

July 12, 1993

something that's going to destroy the economy of Illinois.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Collins.

END OF TAPE

TAPE 2

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Syverson. Senator Syverson, did you wish to comment on this?

SENATOR SYVERSON:

Sure, I'd like to respond to Senator Carroll, as well. I'm -I'm very excited that he's concerned about jobs, and I love his
question: Why would we want to harm the economy? Maybe we forget
about all the good business bills that you killed over there this
year that regulated and taxed and harassed almost four hundred
thousand manufacturing jobs out of this State to other states. If
we hadn't run those companies out of this State, we wouldn't be
worrying about where the revenue was coming from. So I certainly
appreciate the fact that Senator Carroll is now becoming a -fiscally conservative, wanting to help jobs in Illinois. So I
look forward to having you cosponsor some good legislation with me
next year.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator McCracken.

SENATOR McCRACKEN:

Thank you, Mr. President. I think it is time to start counting now. The granny tax raises about two hundred ten million dollars a year. Governor Edgar's going to sign legislation that

76th Legislative Day

July 12, 1993

will eradicate that blight on our society. He is doing it not by means of a general income tax increase, but an excise tax. Now, when we all vote for gas taxes, because that's an excise tax we run home and tell the voters, "Oh, it's a user fee. You get in your car; you use the roads; you pay the gas - you pay the tax Well, is it so different with the cigarettes? No, it is not, sir. No, it is not. I think the analogy is a good one, and it's good for this reason: six dollars and thirty cents per day, per bed, in nursing homes. People who've saved all Do you -- is there a more onerous tax in this State right now? Certainly - certainly - a replacement raising far fewer dollars than the granny tax, being by means of an excise tax or a user fee on those who smoke cigarettes and purchase them in the State, is something to be proud of. It's not something to be ashamed of. And there are those here who talk about alternatives. Senator Carroll is a notable exception. Most people don't talk in great detail about those alternatives. But one that has been raised is food and drug. And, yes, food and drug is not on the table, but that's nothing to be ashamed of. Governor Edgar "No general taxes." Food and drug will not be taxed in the State of Illinois. We will go to a user fee. We will tax in health-related area and proceeds will be used only for health care in this State. It's a dedicated fund. It's raised off of a user fee. It is limited in its impact on the population. It reaches only those who, in their discretion, choose to smoke. It is nothing to be ashamed of. We should be proud to vote for this and do away with that granny tax.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Geo-Karis.

SENATOR GEO-KARIS:

Mr. President, Ladies and Gentlemen of the Senate, I apologize for rising the second time. All I can say is, first of

76th Legislative Day

July 12, 1993

all, I commend my -- my colleague, the former Chairman of Appropriations, for figuring out loopholes. Why didn't he submit those bills for taxes -- for the loose loopholes, maybe many years ago? Number two, my constituency would rather we raised their cigarette tax by fourteen cents, rather than raise their income tax. They don't want to see a raise in income tax. They -- they could buy the surtax, but not the income tax raise.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Jacobs.

SENATOR JACOBS:

Thank you, Mr. President. And I apologize for rising for the second time and only do so because my esteemed Senator Adeline Geo-Karis did the same, so I feel that we have a little time for retribution here. First of all, you know, it's been said that there are no other alternatives, and there have been a number of other alternatives placed before this Body. In fact, standing up in the gallery is Representative Hicks, who has introduced a video Now whether you agree with video poker or whether you do not, if you want to talk about a tax that you may want to impart that will give you immediate dollars, 'cause those are already going on, that's one that you should probably look at. And, Senator Lauzen, beings you used my name, I'm surprised at you. As I understand, you're a businessman. As I understand, you're -- you're -- you're a good accountant. And I'm surprised that you think the fourteen cents stays at fourteen cents. Anv good business person is going to add their margin of profit onto a It's a cost of doing business. So that fourteen cents becomes seventeen and a half cents, and then when it gets to the retailer, it becomes twenty-one cents, and by the time you add your sales tax on there, you're at around twenty-three and a half Senator, it doesn't stay at -- at fourteen cents. accelerates. And there's a tremendous difference between a user

76th Legislative Day

July 12, 1993

fee on motor fuel tax and highways than there can ever be an analogy between cigarette smoking and nursing homes. And in closing, I just want to add again, 'cause I -- I just can't reiterate enough: We have been told that Governor Edgar is doing away with the granny tax. The granny tax, folks, in case on the other side of the aisle you don't understand it, it's dead. It's been dead since June 30th. There is no granny tax at this point. So let's not try to confuse the issue with granny tax and cigarette taxes. I think it's unfair to all of our constituents. PRESIDING OFFICER: (SENATOR WEAVER)

Senator Jones.

SENATOR JONES:

Thank you, Mr. President, Members of the Senate. You know, as one who has occasionally indulged in smoking, if this legislation becomes law, I'm going to call on all cigarette smokers in Illinois to go on strike for about six months. Then we'll be back here in the fall in Veto Session trying to deal with the issue of I was one of the first persons - I believe I was a proper tax. the only one of the Leaders - who came out publicly against this at which time when it was -- was put up for regressive tax, consideration. The reason why I did this is because I felt it was a flat tax; there is no growth to this tax and the tax was the many who smoked - many who may be poor - to take care of the few who -- who -- who are in nursing homes. And the issues that Senator Howard Carroll brought to the table on many occasions, such as closing the loop -the current loopholes on pharmaceutical drugs and also closing the loophole as it relate to the deli tax, I just wanted to correct one of my friends on that side of the aisle. If you go to a restaurant and you eat a meal or a sandwich, you pay a tax. If you go to a deli or you go to Jewel -- Food Store and eat that same sandwich that's prepared for you, you don't pay the tax. That is -- that is one of the loopholes in

76th Legislative Day

July 12, 1993

Illinois Revenue Code that should be closed. -- our many attempts were made in the conferences to try to resolve this critical issue, and all the attempts fell on deaf ears - no one would listen. But I want to make one clarification as it relate to those persons who are elders who are in nursing homes. was a remark made on the other side of the aisle, and I hope this is the last time that I hear this type of remark. The funding for the Medicaid Assessment Program comes in three categories: comes from the assessment as it relate to the hospital portion, which there is no basic problem with that; it comes from the increased licensing fee that we put on, which the nursing home owners pay; and the third source is this proposed cigarette tax. Now the cigarette tax has nothing to do with the hospital portion - just the nursing home portion. And the misconception we have in this Body, that we have in this State, that all those persons -in the nursing home are poor, from inner city, and they're on Let's not kid ourselves about this. I don't want Medicaid. saying, "These are your constituents." Illinoisans that we are concerned about. And -- and you would be surprised to find some of your colleagues who have their in a nursing home, on public aid. So when you try to stereotype, there is only one, you're doing a -- disservice to what we attempting to do. I don't like this tax. It's regressive. there is no growth to it. But eighty percent, I believe, of those on Medicaid in nursing homes are not black; they're not Hispanic, as -- as one may try to project to this Body. And I hope it's the last time it is said, I don't like taxing the many to take care of But I am a responsible the few. And that is what this is. legislator. I recognize that the misconception we have about this grannies think they pay it, and that is not so. all the Unfortunately - unfortunately - we did not receive a program, when the Governor gave his Budget Address, to solve this problem.

76th Legislative Day

July 12, 1993

There was no program -- put in place. It was talked about, but no mechanism to deal with this serious, serious problem, as it relate to our elders. All the talk about public aid and all this stuff. The swollen Mississippi River going to drive more -- persons to the rolls of public aid. And the majority of those who are those rolls are not black and Hispanic. So let's quit playing those games, talking about, "It is your people." These are "our" people that are in need in the State of Illinois. And we -- when we cease that kind of stereotype rhetoric, when we cease doing it here, it will cease in the other places of this -- of this great I don't like this tax, but I'm a responsible legislator. I feel that we must do something as it relate to the misconception that the seniors have on this granny tax, and I am pledged -- I support the concept. We met. We've met for many hours. I got tired of looking that Pate Philip in the face, but I must do what We -- we don't need this type tax; I feel is right. The most proper tax there is is the income tax, but this is the only ship in town at this point in time in this Chamber, and so I urge my Members to cast a Yea vote on Senate Bill 677.

PRESIDING OFFICER: (SENATOR WEAVER)

Senator Maitland, to close.

SENATOR MAITLAND:

Thank you very much, Mr. President, Members of the Senate. One of the most difficult things that we debate on the Floor of this Chamber from time to time deals with attempting to raise revenue to fund various State programs. Maurice Scott was a good friend of mine, and Maurice Scott was a friend to many of you in this Chamber. Maurice Scott was the former Executive Director of the Illinois Taxpayers' Federation, and often gave speeches on taxes. And he said, "The only good tax - the only good tax - is a tax on hair oil, brushes and combs." Maurice Scott was bald. The

76th Legislative Day

July 12, 1993

point is, the only good tax is the tax that doesn't affect me. And in time -- and from time to time in State Government, we have to rise, as Senator Jones is doing, and make tough decisions. Many of us have sat hour by hour this spring, trying to resolve this very difficult issue. All fifty-nine of us heard from senior citizens from across our district all year long, that we had to make a change. And we worked, and we talked, and we debated, and we discussed. And Senator Jacobs and others who have opposed this tax, Senator Carroll: This is the only tax - the only tax that we can agree to to do what we know has to be done. The alternative, Ladies and Gentlemen, is between a thirty- and forty-percent increase in rates on the very people we are trying tonight to help. Because if we don't pass this tax, if we don't do this, then those rates go up and those rates fall upon those senior citizens, those people we are trying to help, not at last level, but indeed, much greater. It's a fact of life. sent here to be responsible legislators. This is a tough decision for all of us to make. And make it tonight we must. thanks to the long-term health care industry. All three major side. groups have worked side by The Illinois many legislators, and individuals and businesses Association. have worked together to help put this package together. and Gentlemen, this is the only act in town, and urge -- I urge your support of Conference Committee Report on Senate Bill 677.

PRESIDING OFFICER: (SENATOR WEAVER)

The question is, shall the Senate adopt the Conference Committee Report on Senate Bill 677. Those in favor, vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 38, the Nays are 15, 3 voting Present. The Senate does adopt the Conference Report on Senate Bill 677. And the bill, having received the required three-fifths majority, is declared passed.

76th Legislative Day

July 12, 1993

I might remind the Membership that tomorrow morning at 8:30, in Room 212, Revenue will meet; at 9 a.m., 400, Insurance; and at 9:30 in Room 400, Judiciary; at 9:30, A-1, Local Government; at 9:30 in 212, Education. Resolutions.

SECRETARY HARRY:

Senate Resolution 701, offered by Senator Shaw and all Members.

Senate Resolution 702, offered by Senators Philip, Dudycz and others.

Senate Resolution 703 and 704, offered by Senator Topinka.

Senate Resolution 705 by Senator Mahar.

Senate Resolution 706, by Senator Ralph Dunn, as is Senate Resolution 707.

Senate Resolution 708, by Senator Mahar.

Senate Resolution 709, by Senator Dudycz.

They're all congratulatory and death resolutions, Mr. President.

PRESIDING OFFICER: (SENATOR WEAVER)

Consent Calendar.

SECRETARY HARRY:

Senate Joint Resolution 81, Constitutional Amendment, offered by Senators Ralph Dunn and Fawell.

PRESIDING OFFICER: (SENATOR WEAVER)

Introduction of Bills.

SECRETARY HARRY:

Senate Bill 1112.

(Secretary reads title of bill)

1st Reading of the bill.

PRESIDING OFFICER: (SENATOR WEAVER)

Is there any further business to come before the Senate? If not, Senator Geo-Karis moves that the Senate stand adjourned until 11 a.m. Tuesday, July the 13th, 1993. We are adjourned.

REPORT: TIFLDAY PAGE: 001

STATE OF ILLINOIS 88TH GENERAL ASSEMBLY SENATE

94/11/29 14:02:51

DAILY TRANSCRIPTION OF DEBATE INDEX

JULY 12, 1993

HB-1038 RECALLED	PAGE	11
HB-1038 THIRD READING	PAGE	12
HB-2282 REFUSE TO RECEDE	PAGE	25
SB-0677 CONFERENCE	PAGE	25
SB-0941 CONFERENCE	PAGE	10
SB-0956 CONCURRENCE	PAGE	4
SB-1110 FIRST READING	PAGE	3
SB-1111 FIRST READING	PAGE	3 4
SB-1112 FIRST READING	PAGE	47
SR-0701 RESOLUTION OFFERED	PAGE	47
SR-0702 RESOLUTION OFFERED	PAGE	47
SR-0703 RESOLUTION OFFERED	PAGE	47
SR-0704 RESOLUTION OFFERED	PAGE	47
SR-0705 RESOLUTION OFFERED	PAGE	47
SR-0706 RESOLUTION OFFERED	PAGE	47
SR-0707 RESOLUTION OFFERED	PAGE	47
SR-0708 RESOLUTION OFFERED	PAGE	
SR-0709 RESOLUTION OFFERED	PAGE	47
SJR-0081 RESOLUTION OFFERED	PAGE	47
Ban over haboperion errane		
SUBJECT MATTER		
SENATE TO ORDER-PRESIDENT PHILIP	PAGE	1
PRAYER-PASTOR GILLETT	PAGE	1
JOURNALS-APPROVED	PAGE	1
AT EASE	PAGE	2
SENATE RECONVENES	PAGE	2
COMMITTEE REPORTS	PAGE	2 2 2 2
MESSAGES FROM THE HOUSE	PAGE	2
ADJOURNMENT	PAGE	47
110 0 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		• •