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PRESIDING OFFICER: (SENATOR HALVORSON)

The regular Session of the 95th General Assembly will please come to order. Will the Members please be at their desks and will our guests in the galleries please rise? The invocation today will be given by Reverend Jeff Chitwood, South Side Christian Church, Springfield, Illinois.

THE REVEREND JEFF CHITWOOD:

(Prayer by the Reverend Jeff Chitwood)

PRESIDING OFFICER: (SENATOR HALVORSON)

Please remain standing for the Pledge of Allegiance. Senator Maloney.

SENATOR MALONEY:

(Pledge of Allegiance, led by Senator Maloney)

PRESIDING OFFICER: (SENATOR HALVORSON)

Madam Secretary, Reading and Approval of the Journal.

SECRETARY SHIPLEY:

Senate Journal of Wednesday, August 8th, 2007.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Hunter.

SENATOR HUNTER:

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

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Hunter moves the approval of the Journals just read by the Secretary. There being no objection, so ordered. All Members please come to the Senate. We will be doing some business. You all need to be here. <u>Journal-Register</u>, WAND-TV Channel 17, FOX Chicago and -- and WICS-TV all request permission

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to videotape the proceedings. Seeing no objection, leave is granted. Okay. Ladies and Gentlemen, not everybody has listened to me. They're not in the Chamber. So, please everybody in your offices, in the hallways, on your way in, please come to the Senate Chambers. Ladies and Gentlemen, if you can all turn your Calendar to page 31, House Bills 3rd Reading. With leave of the Body, we will be going to House Bill 664. Page 31. House Bills 3rd Reading. 664. So, Senator Link seeks leave of the Body to return Senate Bill -- House Bill 664 to the Order of 2nd Reading for the purpose of an amendment. Hearing no objection, leave is granted. On the Order of 2nd Reading is House Bill 664. Madam Secretary, have there been any amendments approved for consideration?

SECRETARY SHIPLEY:

Floor Amendment No. 2, offered by Senator Link.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Link, to explain your amendment.

SENATOR LINK:

Thank you, Madam President. This is -- just makes a couple technical changes and it also raises the -- increases the exemption for a third and final year to twenty thousand, from nineteen thousand.

PRESIDING OFFICER: (SENATOR HALVORSON)

Is there any discussion on the amendment? Senator Link moves the adoption of Amendment No. 2 to House Bill 664. All those in favor will say Aye. Opposed, Nay. The Ayes have it, and the amendment is adopted. Are there any further Floor amendments approved for consideration?

SECRETARY SHIPLEY:

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No further amendments reported.

PRESIDING OFFICER: (SENATOR HALVORSON)

3rd Reading. Now on the Order of 3rd Reading is House Bill 664. Senator Link, do you wish to proceed? Madam Secretary, please read the bill.

SECRETARY SHIPLEY:

House Bill 664.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Link.

SENATOR LINK:

Thank you, Madam President. This is commonly known as the seven percent tax extension bill. As amended, this also has -- creates the longtime homeowners exemption. It amends the senior freeze, senior homestead exemption. It creates the returning veterans home -- exemption, disabled homestead exemption, disabled veterans homestead exemption. It increases the income eligibility limitation for the circuit breaker. It creates the abatement for fallen officers and rescue workers and -- it creates a property tax task force. I'll be more than happy to answer any questions.

PRESIDING OFFICER: (SENATOR HALVORSON)

Is there any discussion? Senator Murphy.

SENATOR MURPHY:

Thank you, Madam President. First, I'd like to thank the sponsor for all his hard work in getting this bill here. I think we probably had a little bit better bill that this Chamber passed over to the House back in February rather quickly reflective of

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our recognition of the serious problem we've got in Cook County with property taxes. This is still a good bill. It provides relief for people in Cook County, who frankly are scared that they're being driven out of their homes by rising property taxes. This is a -- this is a strong bill. Maybe not as strong as the one we had sent over in February, but very worthy of support from Members on both sides of the aisle. Again, I'd like to thank the sponsor for his work and urge an Aye vote.

PRESIDING OFFICER: (SENATOR HALVORSON)

Any further discussion? Senator Rutherford.

SENATOR RUTHERFORD:

Thank you, Madam President. The sponsor yield?

PRESIDING OFFICER: (SENATOR HALVORSON)

Sponsor indicates he'll yield.

SENATOR RUTHERFORD:

Senator Link, you mentioned something about a property tax study committee. What is that?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Link. Sorry. Senator Rutherford, finish.

SENATOR RUTHERFORD:

I'll repeat it. The -- you had mentioned something about a property tax and a study committee or commission. What is that?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Link.

SENATOR LINK:

Senator Rutherford, in my negotiations with a -- the Speaker, one of the things that I insisted when we were working over this, that this basic bill, the seven percent -- the only county that has adopted it was Cook County, so, really it only

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helps them. And I would like to see the other hundred and one counties consider it, but they haven't. But one of the things that we, in the other counties, and a lot of counties throughout the State, have problems with property tax. And one of the things I insisted that we have is a -- a nine-member task force be appointed. And I wanted that these people, that would be members, appointed from each -- not members, but experts, appointed from each caucus. That the leaders of each caucus would have the ability to appoint experts from the field. what this would do - it would be similar to what was done in the worker's compensation rewrite - that we would get people to sit down and we would negotiate and work on property tax relief for the whole State of Illinois. And possibly see how we could rewrite the whole property tax system as we see it today. maybe get true relief, so we don't have to come back here and do seven percent relief or do Band-aid -- approaches to any of this type relief, but give true property tax relief for the State of Illinois.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Rutherford.

SENATOR RUTHERFORD:

Thank you, Madam President. Senator Link, there has been discussion at some point in time through this process about a real estate transfer tax. Is this a part of this legislation?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Link.

SENATOR LINK:

No, there -- no, this is not. It's not in this and it won't -- will not be in this.

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PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Rutherford.

SENATOR RUTHERFORD:

Thank you, Madam President. Senator Link, one last question. There was legislation that we worked on with a number of people, including Representative Mautino and Senator Jacobs, in regards to 1400 which is a particular concern or interest in regards to the assessment process for wind farms. It is my understanding - or, pose it as a question - is that language in which we had worked on adopted into this underlying bill now? PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Link.

SENATOR LINK:

Yes.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Rutherford.

SENATOR RUTHERFORD:

Thank you, Madam President. One last question, Senator Link. When we were going through those negotiations on the wind farm assessment, there was some debate and so forth. Is the language that you've put into this then the agreed-upon and concurred language that was negotiated when we were together with it on the House and now put into this bill?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Link.

SENATOR LINK:

To the best of my knowledge it is, because I was not in the negotiations. But, what was brought to me was the negotiated agreement. And I -- I don't want to say, because not being in

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the room with that negotiations - but this was what was presented to me, the negotiated agreement.

PRESIDING OFFICER: (SENATOR HALVORSON)

Any further discussion? Seeing none, Senator Link, to close.

SENATOR LINK:

Thank you, Madam President. This has been a long ordeal and I -- I -- I want to echo something that Senator Murphy said. This is not the same bill that we passed over at the beginning and -- I think it was the beginning of March. We had, I think, passed over a lot better bill in March. I think it would have been a lot better relief for the citizens, especially in Cook County. But, as always, you look at compromise and we have to pass something in two Chambers. And this bill will pass in both Chambers, because it's been worked on. And one thing I know is I want something to pass out of here, in both houses, and signed by the Governor that will give relief to homeowners that are paying high property tax. But one thing I want to ask the Leader on the Republican side and I also want to ask the President: bill is passed - and I want to ask the two Leaders in the House that they assure us that they appoint this task force that all citizens can get to -- we can get this task force to work. that we could get all citizens the possibility of getting true property tax relief in the State of Illinois. And that we could get something done that we don't have to face this issue every year, every two years, but that we could get true property tax relief and we could help the citizens of the State of Illinois. I ask for an Aye vote on this issue. Thank you.

PRESIDING OFFICER: (SENATOR HALVORSON)

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The question is, shall House Bill 664 pass. All those in favor will vote Aye. Opposed, 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 53 Yeas, none voting Nay, none voting Present. And House Bill 664, having received the required constitutional majority, is declared passed. Senator Dillard, for what purpose do you rise? SENATOR DILLARD:

Thank you, Madam President. I apologize for rising. I was back here by my desk and these nifty new voting switches we have in this beautiful Chamber sometimes are tricky and my key was turned off and I just want the record to reflect that I wanted to be recorded as Aye on that last important bill of Senator Link's. Thank you.

PRESIDING OFFICER: (SENATOR HALVORSON)

Thank you, Senator Dillard. The record shall so reflect. Senator Luechtefeld.

SENATOR LUECHTEFELD:

Thank you, Madam President. I, too, had not turned the key and the -- intended to vote Aye. So, I would like to be recorded as an Aye if you will, please.

PRESIDING OFFICER: (SENATOR HALVORSON)

The record shall so reflect your intention to vote for that previous bill. Senator Righter, for what purpose do you rise?

SENATOR RIGHTER:

Thank you, Madam President. I'd like the record to reflect that I always try to vote for Senator Link's bills including this one. So, if I could be reflected as having intended to vote Yes, I'd appreciate it.

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PRESIDING OFFICER: (SENATOR HALVORSON)

Thank you, Senator Righter. The record shall so reflect. We will now be going to House Bill 1972 with leave of the Body. Senator Peterson, do you wish to proceed? Madam Secretary, read the bill.

SECRETARY SHIPLEY:

House Bill 1972.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Peterson.

SENATOR PETERSON:

Thank you, Madam President and Members of the Senate. House Bill 1972 provides, as a condition of probation or supervision, that the court may require the defendant to contribute a reasonable sum of money, not to exceed the maximum amount of the fine for the crime for which defendant was sentenced. This money would go to the investigative cash fund established by the Department of Natural Resources and -- for the purchase of evidence for investigation purposes and to conduct investigations of various conservation law violations. I know of no opposition. I ask for your support.

SECRETARY SHIPLEY:

Is there any discussion? Seeing none, the question is, shall House Bill 1972 pass. Those in favor will vote Aye. Opposed, 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 57 Yeas, none voting Nay, none voting Present. And House Bill 1972, having received the

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required constitutional majority, is declared passed. Senator Silverstein, for what purpose do you rise?

SENATOR SILVERSTEIN:

Just for the record, similar to Senator Dillard, I didn't get to the switch on Senate $\{\text{sic}\}$ Bill 1972. I want to be recorded as an Aye vote.

PRESIDING OFFICER: (SENATOR HALVORSON)

Thank you, Senator Silverstein. The record shall so reflect your intention on the previous bill to be an Aye. With leave of the Body, if everybody will turn their Calendars to page 31 we'll be going to House Bill 556. Senator Cullerton, do you wish to proceed? Senator Cullerton seeks leave of the Body to return House Bill 556 to the Order of 2nd Reading for the purpose of an amendment. Hearing no objection, leave is granted. On the Order of 2nd Reading is House Bill 556. Madam Secretary, are there any amendments approved for consideration?

SECRETARY SHIPLEY:

Floor Amendment No. 3, offered by Senator Cullerton.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton, to explain your amendment.

SENATOR CULLERTON:

I'd like to withdraw the amendments and proceed with Amendment No. 6.

PRESIDING OFFICER: (SENATOR HALVORSON)

Amendment No. 3 is out of the record. Madam Secretary, please proceed to the next amendment. Madam Secretary, do you have any other amendments approved for consideration?

SECRETARY SHIPLEY:

Floor Amendment No. 6, offered by Senator Cullerton.

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PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton, to explain Amendment No. 6.

SENATOR CULLERTON:

Thank you, Madam President, Members of the Senate. Yes. This is a ninety-cent cigarette tax increase for the State of The moneys expected to be raised is about three hundred and fifty million dollars. The money would go to a -- a new fund called the Health Care Provider Relief Fund which would be to make reimbursements to providers, for our medical providers who have been waiting for their money. That's money, I'm told, that can be matched by federal dollars so that it would really be two hundred million dollars paying that off, or paying that down. And the quarter of a billion dollars that would be left would go to pay our pension obligations which are -- have been unfunded. This is over and above what has been the agreed-to budget amount that would go to pensions. It also allows for the collar counties to impose a one-dollar cigarette tax, if they so vote to do so with their county boards. That was a request of the It also has the benefit of - according to the counties. Coalition for Tobacco-Free Kids - of having a total of a hundred and seventeen thousand plus young children not taking up smoking. And it also would result in the number of adult smokers in Illinois who currently smoke to quit smoking. Fifty-two thousand Illinoisans would stop smoking, which would have a corresponding benefit, of course, to our Medicaid program because we spend one and a half billion dollars on tobacco related smoking costs. So, with that, I'd be happy to answer any questions and ask for an Aye vote.

PRESIDING OFFICER: (SENATOR HALVORSON)

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Is there any discussion? Senator Righter. SENATOR RIGHTER:

Thank you, Madam President. I would request a roll call on the adoption of Amendment 6 to House Bill 556, please.

PRESIDING OFFICER: (SENATOR HALVORSON)

Thank you. Senator Righter has asked for a roll call when we adopt the amendment. Any other discussion on the amendment? Senator Schoenberg, do you wish to discuss the amendment? There will be a roll call on the amendment. Madam Secretary, have there been any other -- oh! Senator Cronin, for what purpose do you rise?

SENATOR CRONIN:

To speak to the amendment.

PRESIDING OFFICER: (SENATOR HALVORSON)

Sure.

SENATOR CRONIN:

Thank you, Madam President. I rise in strong support of Floor Amendment No. 6. I'd first like to commend Senator Cullerton for his leadership, statesmanlike approach to this issue. This issue is well known among the Members here, I'm sure, especially on our side of the aisle here. I -- I would just ask all of you to give serious consideration to the following: We, as Legislators are asked to be leaders. We are -- legislators from time to time have to stand up and stray from the easy path, the safe path and we have to take a vote that may not always please everyone. And when we're asked to do that we weigh the benefits versus the burden. Yes, I -- understand the cigarette tax is a tax - is a tax. But, Ladies and Gentlemen, look at the benefits on this bill. We are going to be paying off

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Medicaid bills. Many of the Members on my side of the aisle have been talking about the need to pay down Medicaid bills. We have a duty, an obligation to our vendors, our health care providers. Well, you know what? Here it is. The revenue that's raised from this cigarette tax also goes to pay down the pension debt. Not -- not a replacement payment, but an additional payment. Many of my Members on my side of the aisle have been calling for a responsible approach to pension funding. We need to pay down the debt, pay down the debt. Well, you know what, my friends on the Republican side? Here it is. Senator Cullerton points out the kids that aren't going to take up smoking. Now, I would ask that please, please, you weigh these benefits versus the burden on some vendors - people that manage truck stops out in DeKalb and other areas, rural areas that are important to some of my Members - and weigh those burdens against the benefits that are very, very important and very significant in this bill. And lastly, DuPage County, I know that there are those that probably cringe when they hear those words, but you know what? I'm proud to be from DuPage County. It's a wonderful place. A million people live there and the County of DuPage needs some help. I ask for your favorable consideration.

PRESIDING OFFICER: (SENATOR HALVORSON)

Any further discussion on the amendment? Senator Schoenberg.

SENATOR SCHOENBERG:

Thank you, Madam President. To the amendment: I rise in strong support of the amendment. I wanted to give Senator Cullerton a great deal of credit for his efforts in reaching across the aisle to craft a bi-partisan solution to addressing

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some of our most chronic spending needs. We all know that there is some reluctance to vote for an increase in the cigarette tax in some quarters here at the Capitol. But this will ensure that we will be making a substantial contribution towards the State's unfunded pension liability which will, in turn, make it possible to lower the cost of our borrowing money and send a very strong signal to Wall Street that Illinois, indeed, has a discipline towards dealing with some of its chronic long-term debts. And it also sets us on a regimen of identifying a specific pool of money, which will not be able to be swept. And neither of these funds will be able to be swept - but that will be matchable, so that we can pay down the approximately one billion dollars in unpaid Medicaid bills. There's been a lot of criticism in some quarters about where we direct new spending to meet basic human And the argument behind that has been that we have -that we have not had a disciplined approach to dealing with some of our more fundamental long-term spending pressures. does that. Some people may not want to lease the Lottery. Some people may not want to invite private investment on our terms into public assets. And that was going to be used in order to pay down some of these long-term structural debts that we have. Here is an ability to do just that. And that's why I urge you to vote for the amendment. Thank you.

PRESIDING OFFICER: (SENATOR HALVORSON)

Any further discussion on the amendment? Senator Luechtefeld.

SENATOR LUECHTEFELD:

Thank you, Madam President. Senator, I was off the Floor for a little bit on a phone call and if I'm repeating anything I

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-- I apologize for that. Just some -- what -- what is the total amount of money you hope to raise with this -- this bill?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

SENATOR CULLERTON:

Yes. The estimate is approximately three hundred and fifty-two million dollars. There are some estimates that are higher because there's going to be a number of people that stop smoking. So you -- it's hard to get it to the penny, obviously. But the estimates based on models from other states where there's a tax increase like this is three hundred and fifty million dollars, plus matching dollars from the federal government of a hundred million dollars.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Luechtefeld.

SENATOR LUECHTEFELD:

You know, down in southern Illinois we're rather close to a couple of other states obviously that have very little tax. I -- where do we reach the point where it simply becomes a lot like drugs? Where it's done illegally? Where it is -- the black market becomes a -- a very big part of this process?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

SENATOR CULLERTON:

Yes. Thank you. To answer your question, Senator - I forgot to mention this earlier - in the bill we take two million dollars, send it to the Department of Revenue so that they can hire twenty-six new enforcement agents to police the black market issue that you addressed. So, thank you for reminding me.

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PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Luechtefeld.

SENATOR LUECHTEFELD:

Well, what -- what we do is we make an awful lot of very good, innocent people criminals - is -- is basically what's going to happen. I mean, people in southern Illinois and -- and northern Illinois they're doing it already in Chicago. They are going to go across the border to buy these. You've made it very profitable -- do that, even to the point where maybe don't even have to do it illegally. You can just go across, buy gas in the other state and also buy some cigarettes, which would not be illegal. You know, again, will this raise the -- I -- I don't see it raising near the amount of money that you think it will raise. And hopefully it does, but I can't even see it getting close to that.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

SENATOR CULLERTON:

Well, Senator, as you pointed out and as was pointed out in committee, there already is as you said a divergence in the state tax between Missouri and Illinois. That exists today. So, to a certain extent, as Senator Link pointed out in committee, people are doing that right now and it is illegal, because there's a use tax that you have to pay in Illinois. So, in -- in our estimate, Senator, we took into account that activity and made the adjustment accordingly. And keep in mind, if more people stop smoking than we anticipate, we'll have a corresponding savings in health care costs, State health care costs, as well as private health care costs.

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PRESIDING OFFICER: (SENATOR HALVORSON)

Any further discussion on the amendment? Senator Syverson. SENATOR SYVERSON:

Thank you, Madam President. Just a couple questions of the -- the sponsor.

PRESIDING OFFICER: (SENATOR HALVORSON)

Sponsor indicates he'll yield.

SENATOR SYVERSON:

First on the -- on the Medicaid payment, you said -- how much of this is going to be going towards the Medicaid backlog?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

SENATOR CULLERTON:

Based on the three-hundred-and-fifty-million-dollar pot, a hundred million goes into that fund. And as Senator Schoenberg has indicated that is matchable and, therefore, could be two hundred million, total. Or...

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator -- Senator Syverson.

SENATOR SYVERSON:

Is there then a -- that's going to reduce our -- our -- our backlog of bills by X amount of time. Is that a day or two days or three days? Do we know what that's going to delay or what that's going to shorten that payment cycle? And I guess the second question would be, if in fact it is, are we putting that in statute that we are not going to extend the payment cycle out again then next year? Is this only a one-year Medicaid payment? PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

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SENATOR CULLERTON:

I believe that the total amount of money that we're talking about is a 1.3-billion-dollar backlog. Is that approximately right? 1.1. Okay? This is -- would eat into that, pay that down by two hundred million. It's -- it's a -- it's not a one-year deal, because it's a tax which we're making permanent. And it's meant to be -- and I can tell you that what -- the budget that's being debated in the House now, it's not a shell game. This -- this is extra money going into a new fund for the sole purpose of paying that -- that figure down. And it will be not -- unless -- unless some subsequent General Assemblies change it, this will be the law and that's where the money's going. It's not a trick. That's where it's going and that's how much is there and that's what it's meant to pay down.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Syverson.

SENATOR SYVERSON:

But, I think that's the key point, you just mentioned. This goes into that fund. There is nothing stopping the Legislature next year then from reducing its regular Medicaid obligation by that amount and using this money to do that. A -- certainly a pattern that has been done here in the past. So, under here there's nothing that's -- prevents that from occurring under the Medicaid portion. Is that -- is that correct?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

SENATOR CULLERTON:

This -- it's not happening this year, right? And as you know, we can't bind future General Assemblies. We -- you know,

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all we can do is establish the revenue stream, create the fund and say that's where the money's going. I can't tell you what's going to happen next year on next year's budget as -- as -- as it relates to our appropriation. All we can do is what we're doing here. And it has an -- September 1st effective date so it's going to start kicking in money right away.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Syverson.

SENATOR SYVERSON:

Well, I think that's the point, and I'm glad you brought it up that this is a one-year guarantee and next year it can be used -- they can play shell games with other Medicaid. While this will go into that fund, it can be done. The question is the same with the pension. How long is the -- the amount of pension money, is that -- or, I guess that's the first question, what's the amount going into the Pension Fund?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

SENATOR CULLERTON:

A quarter of a billion dollars.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Syverson.

SENATOR SYVERSON:

And is that -- again, is that fund set up where it's guaranteed that that will happen every single year or can the legislature next year, again, change that and put that towards existing pension obligations?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

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SENATOR CULLERTON:

Senator, I think you know this even better than me that we - we -- we're doing this for this year. The -- the revenues,
continuously, are going to be there. Okay? Because we're
establishing the tax, it's not a one-year tax. The money has to
go to the Pension Stabilization Fund and only that fund. And we
have a law that says we have to pay a certain amount every year
to pay down the fund. This is, therefore, in addition to that.
And unless we change that law you -- I can assure you that we are
guaranteed that this is extra, additional pay down of the pension
obligations.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Syverson.

SENATOR SYVERSON:

Last question and then I'll -- I'll just wrap it up. Do we have the economic impact on what -- we know what's happened when -- when Chicago and Cook County put their taxes on and cigarette sales dropped by, I think, about fifty percent as people went outside the area - and obviously, mostly to Indiana - to buy their cigarettes. Do we know now -- have we looked at it or has Chicago done an impact of what an extra twelve dollars a carton - what that difference is going to mean for especially Cook County and Chicago where the tax is so dramatically higher than it is in surrounding states, what impact that is going to have in -- in -- on the Chicago's budget knowing that that's going to reduce the revenues that they're currently taking in? And then the last question is, the twenty new employees that are going to be hired, that are going after the black market. Are they going after individuals who are going across the border to buy

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cigarettes? Are they going after businesses who are doing it? What's going to be their -- who are they going after to stop from going to bordering states to buy the cigarettes?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

SENATOR CULLERTON:

The -- the enforcement agents, to answer that part first, primarily are going to work with retailers who illegally sell cigarettes without stamps and to enforce the Jenkins Act, which is a -- a bill that deals with Internet or mail order sales out-of-state, to make sure that those people who sell that are reported to the State which is -- and then -- and then enforce that. The border crossings, which you know is already illegal 'cause we have a use tax, their agents would not be directed to that unless they had a tip or someone turned them in. Okay? That's not where the twenty-six new enforcement agents - this is up from two - there's now going to be twenty-eight that will be doing this. Okay? And as far as your -- your question about how this would affect Cook County and Chicago or any city that has a cigarette tax, it's true there will be fewer packs sold throughout the State. We estimate a hundred and twelve million fewer packs of cigarettes will be sold. And to whatever extent there's -- percentage is in Chicago there would be corresponding reduction in both Chicago and in Cook County. But in the case of Cook County, there's also a corresponding savings to their county hospital because -- which is the bulk of their expenses for that county government, because of the reduction in the Medicaid cost for the smoking-related medical services.

PRESIDING OFFICER: (SENATOR HALVORSON)

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Further discussion on the amendment? Senator Jacobs.

SENATOR JACOBS:

Question of the sponsor.

PRESIDING OFFICER: (SENATOR HALVORSON)

Sponsor indicates he'll yield.

SENATOR JACOBS:

Senator, what's the effective date? When -- when does this -- when -- if we would pass this, when would this bill become law and when we -- can start to collect this revenue?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

SENATOR CULLERTON:

Yeah, but -- it's immediate effective date, but the tax goes into effect September 1st, as I understand.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Jacobs.

SENATOR JACOBS:

Does this bill require thirty-six or thirty?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

SENATOR CULLERTON:

Six.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Jacobs.

SENATOR JACOBS:

...concerned about is what a lot of people are concerned about. My understanding on a pack of -- a -- a carton of cigarettes in Chicago there's a eighteen-dollar and eighty cent excise tax. Cook County has a twenty-dollar tax. The City of

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Chicago has a six dollars and fifty cent tax. And the federal excise tax is ten dollars. A pack of cigarettes -- and the sales tax, excuse me, is -- is nine percent. The general sales tax is eight nineteen. A total carton of cigarettes in Chicago will become ninety-nine dollars and twenty-three cents. Just across the border -- just across the border, a half hour away, you can get that same -- that same cigarette for fifty-one dollars and sixteen cents. My question is, Senator, are there people in Chicago that are going to drive thirty minutes to get -- to save forty, forty-five, fifty dollars?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

SENATOR CULLERTON:

...Senator, the State of Indiana increased their cigarette tax and -- and they could do so again, just as Iowa, Wisconsin and Missouri could, as well. And that's been the pattern. So that the -- the -- the border crossings would be less of -- of an issue. And the revenue estimates that we're providing for you take into account the people who are crossing the borders right now.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Jacobs.

SENATOR JACOBS:

My concern, Senator, is that people in Illinois may want to rent a van, they may want to load up that van with cigarettes from Indiana and when they bring that van across the border to Chicago they are going to make a half million dollars by selling cigarettes from Indiana at a cheaper level than we do in Illinois. Now, Senator, I know that you -- what your real goal

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is here and it's to stop cigarette smoking. And I think that's a laudable goal. But I point out the Commission on Government Forecast Accountability has done a study recently and the -- our own government commission accountability says recent data shows the number of packs purchased in Illinois has fallen twenty-one And the reason it's falling twenty-one percent is percent. because people aren't buying 'em here. They're going to They're going to Iowa. And I would remind my friends Missouri. that what people say all the time is, well, you know, Iowa will raise their unemployment or -- excuse me, their minimum wage, if Illinois raises their minimum wage. It doesn't happen that way. In fact, Iowa is still five fifteen and we're seven fifty. it's going to continue to be a disparity. This is going to be very harmful to my community and it's bad public policy. It's public policy that only affects a small group of people. If we want a tax, Senator, I'd encourage you to -- to pass a tax. you want to ban smoking, I would encourage you to take on that project. But this prohibition that -- this temperance movement that's running through the Illinois Senate's concerning me. I'm just going to sit down, but I would appreciate if you would move this out of the record and come back in the fall when we can talk about it a little bit and get some stuff done.

PRESIDING OFFICER: (SENATOR HALVORSON)

Any further discussion? Senator Sandoval. SENATOR SANDOVAL:

Thank you, Madam President. That's a tough act to follow, my colleague Senator Jacobs, but I'll make my best effort. I'm very impressed, Senator Jacobs. I rise in support of Amendment No. 6 to House Bill 556. I want to applaud the efforts by my

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colleague Senator Cullerton on working on this -- on this amendment. You know, voting on this bill is a vote for public health, it's a vote for local governance and it's a vote for self-reliance. Giving the abilities to counties throughout the State of Illinois to raise revenue to take care of the public health of their communities is important. We obviously have not had that opportunity to do that here in the State of Illinois. Not yet. Here is an opportunity to allow -- to allow Lake and McHenry and Kane and DuPage and Will to raise revenue to take care and invest in public health for all the people in their communities. And I'll remind people that when I first came to the Senate people said, "Marty, remember when you vote on the Floor of the Senate you not only vote for the two hundred fifty thousand people in your district, but you vote for all the people in the State of Illinois." This is a vote for all the people in those outlying counties outside of Cook County. It's also a vote for local governance. Local governance. Let's even the playing field. And why should only Cook County have the ability to -- to impose a tax? Let's allow other executives from other counties to raise their taxes or impose these fees for the issues that are important to their constituents. It's also a vote for selfreliance. One of the things that we hate to see is, many times, local governments -- local governments from throughout the State of Illinois looking to Springfield to bail 'em out. Looking for moneys for their projects. Looking for moneys for public health. Looking for moneys for whatever it may be back at home. Here is a bill that would allow local governments like DuPage County like DuPage County - and other counties to be self-reliant and not have to come to Springfield for a bail out every time they've

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got a need in their back community. I urge all the Members on my side of the aisle and on the other side of the aisle to support Amendment No. 6.

PRESIDING OFFICER: (SENATOR HALVORSON)

Further discussion? Senator Brady.

SENATOR BRADY:

Thank you, Madam President. Sponsor yield?

PRESIDING OFFICER: (SENATOR HALVORSON)

Sponsor indicates he'll yield.

SENATOR BRADY:

Senator Cullerton, I applaud your efforts to reduce illness and death caused by lung cancer and smoking. I've lost members of my family to this horrid disease, as well. But to the points that were made earlier in opposition dealing specifically with the idea that Illinois is not an island - we're not Hawaii - and, particularly, those communities within an hour or a half hour of the border states will suffer deeply. And I -- I think you admit to that. You suggest in your remarks that this will drive down the incidents of use of cigarettes, because you are taxing a product. Correct?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

SENATOR CULLERTON:

Yes.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Brady.

SENATOR CULLERTON:

There's -- there's...

SENATOR BRADY:

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Senator, my -- my point being in a broader scope of issues - and I absolutely agree with your philosophy - but I think we need to point out that it is those same tax and fee increases that we have put on business or rather your party has put on businesses throughout the entire State over the last five years - they have created the budget crisis that we're under. I simply ask you to consider, as we move forward, the cost not only on businesses that this tax will have but the cost that the tax and fee increases imposed by your side of the aisle and the Blagojevich administration have placed on business growth in this State. And to remember, when you vote for those tax and fee increases as your logic plays out here, you will cost Illinois jobs. And to take that logic into consideration in future endeavors.

PRESIDING OFFICER: (SENATOR HALVORSON)

Any further -- Senator Brady, was that a question? It went on so long, I didn't -- was that a question or a statement? Senator Brady. It was a -- I just didn't want to disrespect you and move onto the next speaker.

SENATOR BRADY:

I'm -- I'm sorry. You never have disrespected me. I
guess I wasn't very articulate. It was a statement.

PRESIDING OFFICER: (SENATOR HALVORSON)

Thank you. Senator Sullivan.

SENATOR SULLIVAN:

Thank you, Madam President. I was not going to get up and speak against this bill until one of our colleagues -- till one of our colleagues made the statement that we need to give counties, other counties the ability to raise additional revenue. And I guess my comment to that is, at what expense? Because the

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border counties and communities that border this State are going to see a loss of revenue and it's not going to be a loss of revenue just in the sale of cigarettes. It's going to be a loss of revenue when they go across that border to another state to buy their cigarettes and buy gas and buy groceries and buy liquor and whatever else that they're going to buy. And it's not only going to hurt those -- it's not a -- you know, there's going to be a loss of revenue from the State, which the sponsor will say he's taken into account, but he's only taken into account the impact of this loss of cigarette sales, not the loss of local sales tax revenue that the local communities are going to see a reduction in. I certainly -- I want to applaud the sponsor for where the money is being sent and how it's going to be used to reduce the Medicaid back log and also the pension liability. - I applaud that -- those moves. But I just simply ask my colleagues to be aware that this is going to have, as several speakers have said, a negative impact on our communities and, I think, ultimately on the State.

PRESIDING OFFICER: (SENATOR HALVORSON)

The question is, shall Amendment No. 6 to House Bill 556 be adopted. All those in favor will vote Aye. Opposed, 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 34 Yeas, 19 Nays, 2 voting Present. The amendment is adopted. Are there any further Floor amendments approved for consideration?

SECRETARY SHIPLEY:

The sponsor has withdrawn Amendment No. 7, Madam President. PRESIDING OFFICER: (SENATOR HALVORSON)

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3rd Reading. Now on the Order of 3rd Reading is House Bill 556. Senator Cullerton, do you wish to proceed? Madam -- Madam Secretary, read the bill.

SECRETARY SHIPLEY:

House Bill 556.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton. There should not be any discussion. We've already had it.

SENATOR CULLERTON:

No, actually there's going... I think we have to have a long discussion. Actually, I didn't get a chance to close, so there was a lot of issues that were raised by -- by some of the opponents and I'd like an opportunity to -- to do that, if I could. In an earlier version of this bill the money went to a -capital projects. And -- and one of the previous speakers was on the Revenue Committee and we had a dilemma that was posed by some Senators about the money going to a capital project where there was concern about the Governor releasing that money. So, that was changed. And so this money goes to two funds that - if you think about it - are one of the top priorities of certainly the Republican Party as well as the Democratic Party in terms of paying old bills. We have an obligation to our pension fund that people from both parties have talked about continuously. That's what we're trying to address with this bill. And we have an obligation to our Medicaid providers. And this bill brings in an extra hundred million from the federal government and it's done by the passage of a tax which has the benefit of reducing our

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existing Medicaid cost. Now, I'm going to tell you a very minimal amount of money is lost by people going across the border. It's primarily a problem with Missouri. There's already a disparity. If they're doing it now, which is illegal -they're doing it now. This, in my opinion, will not dramatically at all increase that. The bulk of the people in Illinois who will pay this tax are going to stay in Illinois and -- and keep on paying it, if that's what they wish to do. The -- the bill helps DuPage County. They've made this request. We're giving them the right to spend this money on -- for their own public health. So, I -- I think that that is a response. It does not lose jobs. My God, it puts money back in the pension fund that we've been railing about for the last few years and it pays off health care providers who are entitled to receive the money. And it happened to -- has the effect of having children not start smoking. Approximately, it's estimated by this Coalition for Tobacco-Free Kids, a hundred and seventeen thousand eight hundred kids won't start smoking because of this bill. thousand nine hundred adults are going to stop smoking. That's why there's a -- there was a reduction in revenues from cigarettes. Not because people go across the border, but because people stopped smoking. That's a good thing. So, I hope those comments -- or, answers some of their issues that were provided by -- raised by some of the opponents and I would be happy, once again, to answer any questions and urge an Aye vote, because I need thirty-six votes this time of year. And would appreciate you doing the right thing in voting for the bill.

PRESIDING OFFICER: (SENATOR HALVORSON)

Is there any discussion? Senator Harmon.

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SENATOR HARMON:

Thank you, Madam President and Ladies and Gentlemen of the Senate. I rise in strong support of Senator Cullerton's House Bill 556. It does so many important things, I think it will be one of the more responsible things that we do this Session. And, as Senator Cullerton has pointed out, for those who are concerned about revenue, for those who are concerned about health care and health care costs, it's a win-win. We expect to generate a significant amount of revenue. If we do not generate the revenue we predicted, the collateral benefit is it will be a reduction in smokers and a reduction in our long-term health care costs accordingly. We are also devoting the revenue that we generate to two very important causes - causes we have talked about over and over again over the last many years - making extraordinary principle payments on our unfunded pension liability and making extraordinary principle payments on our unfunded Medicaid liability. These are financially responsible things for us to be doing. And they are things that I think all of us have talked a good game about doing and now we have an opportunity to put some money there. We've also addressed the issue of collar county cigarette taxes, which I know Senator Cronin mentioned. And -and others have worked with me trying to make sure we provide some equity for the collar counties and equalize the tax burden in Metropolitan Chicago. Again, we'd be using these for good health care purposes in the collar counties. So, for all of these reasons, I rise in strong support of the bill and I urge my colleagues to do the same.

PRESIDING OFFICER: (SENATOR HALVORSON)

Any further discussion? Senator Dahl.

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SENATOR DAHL:

Thank you, Madam Chair -- Madam President. I've -- I've sat here and listened to this debate this morning and nobody -nobody has said anything about the very people that are going to pay this tax. You know, we've spent the last year and a half arguing about the increase in the rates on our electric utilities and how bad it is for all the people that are going to have to pay an extra thirty, forty dollars a month on their utility bill and that's just plain wrong. And I agree with that. don't have a problem with that. That is huge. But the very people that we tried to help on that end we're now going to take thirty/forty dollars a month away from to pay this tax. are we helping? We're not helping the people that need our help. We're taxing the very people that need our help. There's other ways of raising money, without being creative on these kinds of We go after business, go after business, go after business. I don't like that. I understand that. But -- but to be creative and -- and come after the very people that can't pay this tax. You go outside here on the porch, when you come in in the mornings, and who's sitting out there - the employees are sitting out there, the workers are sitting out there, the people that aren't high-salaried people are sitting out there smoking their cigarettes. And some of that reason is because this -this Body is better than all of those and we can still smoke in this building, which is a shame in itself also. But we need to be careful what we're doing here because - when you get in that parade route tonight, if you do that - the people that you're taxing, going to cost them an extra thirty/forty dollars a month out of their food, off their tables. This -- this is wrong.

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- I hope you'll all think real serious about what you're doing here today.

PRESIDING OFFICER: (SENATOR HALVORSON)

Further discussion? Senator Hendon.

SENATOR HENDON:

Thank you, Madam President. I rise in support of the bill. I did speak with Senator Cullerton about the border issues. It's something that he says he's going to look at and we can look at later is -- might not be doable, but we do understand the -- the consternation there, but I urge an Aye vote.

PRESIDING OFFICER: (SENATOR HALVORSON)

Further discussion? Senator Raoul.

SENATOR RAOUL:

Madam President, I, too, rise in strong support of this bill. One of the things in this overtime Session that I've had an opportunity to engage with many people on both sides of the aisle, and particularly on the other side of the aisle, to discuss is our pension obligation and our Medicaid backlog. And we've had extensive conversations about trying to be more responsible -- a more responsible government - and to try to make payments on our pension obligation and our Medicaid backlog, so we as a State could be on better footing. And this year we -many people describe this year as a year of opportunity - a year of opportunity to do great things. And it was said that by going into overtime we've lost a lot of that opportunity. But here is an opportunity that is being created for us to put the State of Illinois on better footing. Better footing so that when we look at a possible capital bill we're -- we are on -- at better footing to -- to access the funds and to pay back at a lesser

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rate. So, I take heed to the advice that I've gotten continuously from the other side of the aisle as to our need to pay down pension obligation and to do something about our Medicaid backlog. And here's your opportunity to do it. Don't squander it.

PRESIDING OFFICER: (SENATOR HALVORSON)

Any further discussion? Last speaker, Senator Schoenberg. SENATOR SCHOENBERG:

Thank you, Madam President, Ladies and Gentlemen of the Senate. Senator Cullerton, I know that you've been criticized for being creative on addressing some of the -- two of the biggest problems that we have on this -- in this State. But I think that we have no alternative, but to be creative. those who seek to criticize you for actually confronting one of the biggest -- two of the biggest problems that we have, if you're embarrassed, I hope to share in your embarrassment. Madam President, Ladies and Gentlemen of the Senate, if we don't pay down our over one billion dollars in unpaid Medicaid bills, how do we expect to have more quality doctors who will accept Medicaid patients? How do we legitimately expect that doctors will see Medicaid patients, that health care and human service providers will take Medicaid? How do we expect that we will be able to address some of the most chronic needs that people have if we don't pay down the bills? Now, I understand that there are those who would wish to have a cudgel to continue to beat others over the head with, because leaving a problem unsolved creates an opportunity. But here is an -- but here we have at this moment a chance to pay down our unfunded pension liability at a quarter of a billion dollars a year, which will in turn make it easier for

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us to borrow money at a cheaper rate in the markets, and pay down some of our -- chronic Medicaid debts. The Pension Stabilization Fund was set up precisely like the rainy day fund. enough belts and suspenders that we established a couple years ago so that it will go on top of whatever our scheduled payment is supposed to be. And in fact, I'll tell you that our unfunded liability has gone up. I chair the Commission on Government Forecasting and Accountability. We just issued a report on August 1st that now puts the unfunded liability - it was at about forty-one billion dollars - it's now at 44.2 two billion at the end of Fiscal 2007. And -- if we don't do anything, which is what -- what some of the opponents don't want to do -- they don't want to do anything - just want to leave the problem out there so that we can complain about it forever and a day - then that will go up even further to 46.4 billion dollars at the end of Fiscal Year 2045 when hopefully none of us will be here anymore in this Chamber to deal with that issue. We have a chance to -- we have an opportunity to -- to make the fiscally responsible vote to deal with our deficit. It would be irresponsible to do anything but vote for House Bill 556. Thank you very much.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Cullerton.

SENATOR CULLERTON:

Yes, Madam President. The debate has allowed me to realize that I think I need a technical amendment for this bill, so I'd like to take it out of the record right now, prepare that amendment and then offer that amendment to the bill by bringing it back to 2nd Reading today. So, I'd like to take it out of the record right now, if I could.

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PRESIDING OFFICER: (SENATOR HALVORSON)

Thank you, Senator. The bill will remain on 3rd. Senator Link, for what purpose do you rise?

SENATOR LINK:

Thank you, Madam President. I would ask for a Senate Democratic Caucus in the President's Office immediately.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Link, the caucus will take place after we adjourn all the Special Sessions. Senator Righter, for what purpose do you rise?

SENATOR RIGHTER:

Thank you, Madam President. Again, following up on my desire to follow Senator Link's lead, Senate Republicans would call for a caucus immediately in Senator Watson's Office. Thank you.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Hendon, for what purpose do you rise?

SENATOR HENDON:

Thank you, Madam President. I was trying to get -- I believe Senator Trotter has a announcement about a subject matter hearing for Approp sometime today. We're looking for -- we're trying to get the exact time of that subject matter hearing for Approp. How long -- I was trying to find out from Senator Link how long caucus was going to be and that would probably allow Senator Trotter the opportunity to find out what time he's going to start the subject-matter hearing. So, could I ask Senator Link a question?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Hendon, please ask Senator Link after -- later, but

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not directly on the record. Senator Munoz, for what purpose do you rise?

SENATOR MUNOZ:

Madam President, I just wanted to be recorded as voting Aye on House Bill 664.

PRESIDING OFFICER: (SENATOR HALVORSON)

Thank you, Senator Munoz. Your -- the record shall so reflect your intention. Senator Hendon, for what purpose do you rise? Okay. Senator Trotter, for what purpose do you rise? SENATOR TROTTER:

Purposes of an announcement.

PRESIDING OFFICER: (SENATOR HALVORSON)

State your announcement.

SENATOR TROTTER:

Thank you very much. At 2 o'clock, in Room 212 there will be a joint Appropriation hearing, subject matter only on the spending bill of the House.

PRESIDING OFFICER: (SENATOR HALVORSON)

Thank you, Senator Trotter. And in case people did not hear, 2 o'clock, Room 212, a joint meeting of Approps, subject-matter hearing only. The Senate will stand in recess to the call of the Chair. It is expected that we will actually come back to the Floor to do some business, so please stick around. Don't go too far. Senate stands in recess.

(SENATE STANDS IN RECESS/SENATE RECONVENES)

PRESIDING OFFICER: (SENATOR DeLEO)

Senate will come to order. We have numerous requests of

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leave to videotape the proceedings. WLS-Chicago Channel 7 asking to -- leave to videotape the proceedings, WCIA Channel 3, here -- in Champaign, WFLD-TV seeking leave of the Body to videotape the proceedings, and last, but not least, is News Channel 5. Seeing no objection, leave is granted. Madam Secretary, Messages, please.

SECRETARY SHIPLEY:

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

Mr. President - I am directed to inform the Senate that the House of Representatives has passed a bill of the following title, in the passage of which I am instructed to ask the concurrence of the Senate, to wit:

House Bill 3860.

Passed the House, August 9th, 2007. Mark Mahoney, Clerk of the House.

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

Mr. President - I am directed to inform the Senate that the House of Representatives has concurred in {sic} the Senate in the passage of -- of a bill of the following title, to wit:

Senate Bill 513, together with the following amendment, which is attached in the adoption of which I am instructed to ask the concurrence of the Senate, to wit:

House Amendment No. 2 to Senate Bill 513.

Passed the House, as amended, August 9th, 2007. Mark Mahoney, Clerk of the House.

We've received a like Message on Senate Bill 997, with House Amendments 3 and 4.

Passed the House, as amended, August 9th, 2007.

PRESIDING OFFICER: (SENATOR DeLEO)

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Once again, WAND-TV Channel 17 in Decatur seeking leave to videotape the proceedings. Seeing no objection, leave is granted. Okay. Ladies and Gentlemen, if I may have your attention, please, for purposes of an announcement. May I have your attention for purpose of announcement? Would all members of the Rules Committee please report to the President's Anteroom immediately. We'd ask all members of the Rules Committee, please report to the President's Anteroom. The Senate will stand at ease while the committee meets.

(SENATE STANDS AT EASE/SENATE RECONVENES)

PRESIDING OFFICER: (SENATOR DeLEO)

Okay. Senate will come to order, please. Illinois Information Service seeks leave of the Body to videotape the proceedings. Hearing no objection, leave is granted. Madam Secretary, Committee Reports, please.

SECRETARY SHIPLEY:

Senator Halvorson, Chairman of the Committee on Rules, reports the following Legislative Measures have been assigned: Refer to Appropriations II Committee - Floor Amendment No. 4 to Senate Bill 1011; refer to Education Committee - a Motion to Concur with House Amendment No. 1 to Senate Bill 844 and Floor Amendment No. 2 to House Bill 38; refer to Executive Committee - Floor Amendment 4 to Senate Bill 2 and Floor Amendments 1, 2, 3 and 4 to House Bill 2035; refer to Judiciary-Civil Law Committee - a Motion to Concur with House Amendments 3 and 4 to Senate Bill 997; refer to Local Government Committee - a Motion to Concur with House Amendment No. 1 to Senate Bill 837; refer to State

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Government and Veterans Affairs Committee - a Motion to Concur with House Amendment No. 2 to Senate Bill 770; and Be Approved for Consideration - Floor Amendment No. 9 to House Bill 556, Floor Amendment No. 1 to House Bill 3866 and House Bill 3860.

PRESIDING OFFICER: (SENATOR DeLEO)

Okay. Ladies and Gentlemen, may I have your attention, please? We're going to make committee announcements. May I have your attention, please for a -- committee announcements? At the hour of 9:25, Executive Committee will meet in Room 212. At the hour of 9:25, Executive, in Room 212. Also at the hour of 9:25, State Government and Veterans Affairs will meet at Room -- in Room 409. In Room 409, State Government and Veterans Affairs, at the hour of 9:25. At the Hour of 9:40 -- at the hour of 9:40, Judiciary-Civil Law -- Judiciary-Civil Law will meet in Room 400 - in Room 400. At the hour of 9:40, Local Government will meet in the Room 409. That's Local Government, in Room 409, at the hour of 9:40. At the hour of 9:55 -- at the hour of 9:55, Education -- Education will meet in Room 400. That's Education, at the hour of 9:55, in Room 400. Our last Committee this evening will be Appropriations II -- will be Appropriations II that will meet at the hour of 10:10 - that will meet at 10:10 in Appropriations II, the hour of 10:10, in Room 12 Room 212. {sic}. Madam Secretary, Introductions of Bills, please.

SECRETARY SHIPLEY:

House Bill 3860, offered by Senator Trotter.

(Secretary reads title of bill)

1st Reading of the bill.

PRESIDING OFFICER: (SENATOR DeLEO)

Okay. Ladies and Gentlemen, may I have your attention?

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With leave of the Body, I'd ask the Members to turn to page 31 of your Calendars. Page 31 of the Calendar is House Bills 3rd Reading. We will go to the top of page 31 -- is House Bill 556. Senator Cullerton, he's asking -- is seeking leave of the Body to return Senate -- House Bill 556 to the Order of 2nd Reading for the purpose of amendment. Is that correct, sir? Hearing no objection, leave is granted. Now, Madam Secretary, on the Order of 2nd Reading is House Bill 556. Has there been any amendments approved for consideration?

SECRETARY SHIPLEY:

Floor Amendment No. 9, offered by Senator Cullerton.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Cullerton, to explain your amendment, sir.

SENATOR CULLERTON:

Yes. Thank you, Mr. President, Members of the Senate. I think all of us remember that we had debated this bill earlier today and we had adopted an amendment and we had a long debate about that amendment. This amendment, No. 9, is identical to that amendment, but for the fact that it changes the effective date to next year -- June 1st of next year. But it's all -- it's totally identical to the bill that we had debated and I would suggest that probably would make most sense to adopt the amendment and then we have a fuller debate on 3rd Reading as to the merits of the bill.

PRESIDING OFFICER: (SENATOR DeLEO)

Okay. Ladies and Gentlemen, Senator Cullerton moves the adoption of Floor Amendment No. 9 to House Bill 556. All those in favor will say Aye. All those opposed will say Nay. The Ayes have it, and the amendment's adopted. Madam Secretary, have

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there been any further Floor amendments approved for consideration?

SECRETARY SHIPLEY:

No further amendments reported.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you very much. 3rd Reading. Now on the Order of 3rd Reading is House Bill 556. Senator Cullerton, do you wish to proceed, sir? He indicates he wishes to proceed. Madam Secretary, please read the bill.

SECRETARY SHIPLEY:

House Bill 556.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you. Senator Cullerton, to the bill, sir.

SENATOR CULLERTON:

Thank you, Mr. President, Members of the Senate. As I indicated, we did have a -- quite an extensive debate on this bill earlier. The amendment that I adopted only changed the effective date. So I'll just refresh your memory. This does raise the cigarette tax in the State of Illinois by ninety cents and it also authorizes the collar counties to raise their cigarette tax by one dollar. It has the effect of having a great number of young people to not start smoking, as well as a great number of -- of adults to stop smoking, which is obviously a -- a benefit to our State and to our cost of our Medicaid. We also have the revenue that will be generated from this bill that will go to pay down our -- Healthcare Provider Relief Fund, which is created by the bill and pay down our Medicaid bills, as well as

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the chance to match that hundred million dollars with the federal dollars, thus providing for two hundred million dollars to pay down those -- start to pay down those bills. And the remainder of the money, the quarter of a billion dollars goes to the Pension Stabilization Fund over and above the amount of the budget which the House has passed, which we are about to pass. So, it's extra money on top of -- it's not a one-time-only because this tax stays in affect. So, it will help reduce the overall health care costs associated with tobacco use, which is estimated to be 5.6 billion dollars in this State. It'll help the -- the counties in the collar counties to provide money for their public health and safety. It'll help pay down our expenses for our Medicaid providers. It'll help pay down our pension obligations. It'll help children stop smoking -- or, not start smoking, adults to stop smoking. And if there's any people who are on the poorer side of income they have it within their control to stop smoking. We have a number of -- of -- the Lung Association itself has an 800 number people can call and get assistance. There is prescription drugs. There's all sorts of relief for people who choose to stop smoking. So, with that, I'd be happy to answer any questions and ask for an Aye vote.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you, Senator Cullerton. Is there any discussion? Is there any discussion? Senator Syverson, for what purpose do you seek recognition, sir?

SENATOR SYVERSON:

Thank you, Mr. President. Just a couple quick questions. Under this now, is my understanding that the -- the effective date then is changed till next -- is it next June?

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PRESIDING OFFICER: (SENATOR DeLEO)

The sponsor indicates he'll yield for a question, sir.

Senator Cullerton.

SENATOR CULLERTON:

Yes.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Syverson.

SENATOR SYVERSON:

Thank you. Then I guess the question is, if -- if we needed the money so desperately for the bonds and for the Medicaid payment cycle, this won't help any of that then until next year's budget. None -- none of that will be done then until next fiscal year's budget, July of -- a year from now. Is that correct? PRESIDING OFFICER: (SENATOR DeLEO)

Senator Cullerton.

SENATOR CULLERTON:

That's correct.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Syverson.

SENATOR SYVERSON:

And then for DuPage, that's struggling financially then they would not have the ability even to address their current financial needs because they would not be able to do this until end of -- later next year before they could -- their -- before their board could act on this issue. So, I guess I'm not sure how that would help them out of their current financial crisis.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Cullerton.

SENATOR CULLERTON:

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You're correct, Senator. Senator, DuPage has indicated that they wish to enact this. So, I talked to their county board chairman and he indicates this would be very beneficial. When they do their budget -- when they do their budget they will know that for -- I think their budget starts in November, so a portion of their fiscal year they will have that income. The same thing is true for the -- the rest of the funds that are being -- being -- being funded here. It is -- does delay it. One of the other benefits, a side benefit that I didn't mention, but the -- as I may have indicated we've been working with the Department of Revenue to enable a system where the State would be able to collect these local cigarette taxes and it would involve a new type of stamp for the -- a -- a gun to affix the stamps. This will give us time to work with the Department of Revenue on that, as well. And -- and also I'm not sure if you're familiar with the -- this, but by changing the effective date it actually changes the number of votes needed to enact the bill. So, that's another reason why we're doing it this way. And Senator, I know that sometimes this can be involved in politics. The last time we -- we voted on a cigarette tax, which was May 31st, 2002, I ended up voting Present, you ended up voting Yes. So, you just never know where you're going to be on -- on any given day.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Syverson.

SENATOR SYVERSON:

And just last point, and again I -- I -- I certainly appreciate what you're trying to do and -- and you have been strong on this issue for many years. The point that we raised

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earlier though and of the concern, if this was a tax that was being raised nationwide it wouldn't be an issue. But for those of us who represent border communities, we are just deeply concerned. I know you had mentioned that -- that last time, that it was people that were guitting smoking, but as Illinois -- when Chicago implemented and Cook County implemented their tax, Illinois cigarette sales went down, but at the same time they didn't go down in Indiana. So, it clearly is an indication that people along the Chicago border were moving over. Now, you're correct that some people won't drive across the border for a five- or six- or seven-dollar difference. But when you're adding another fifteen-dollars-a-carton more, it's a pretty significant difference for people who are struggling to pay the cost of cigarettes now. So, I do have a fear -- and I understand, again, I appreciate what you're trying to do. I am not a smoker. I've never been a smoker. But I just -- my fear is that we are going to lose significant business for those of us who represent border communities. Thank you.

PRESIDING OFFICER: (SENATOR DeLEO)

Further discussion? Further discussion? Senator Cronin, you seeking recognition, sir?

SENATOR CRONIN:

Yes. Thank you, Mr. President. I rise in strong support of this measure and again, I want to commend the sponsor. We've gone through this and my side of the aisle, the other side of the aisle is very familiar with all of this. I do -- I -- I do understand the way that things work here and, you know, it is sort of ironic and interesting that back in 2002 there were a lot of us that voted for a cigarette tax then. And nobody wants to

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vote for a tax of any kind, but when you weigh the benefits versus the burden of this tax I would argue that it's very, very good policy and I urge an Aye vote. Thank you.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you. Ladies and Gentlemen, seeing no further discussion, Senator Cullerton, to close, sir.

SENATOR CULLERTON:

Yes. Thank you -- Mr. President. I just want to -- appreciate your Aye vote. Just want to comment that -- there is disparity right now in -- between some other states in Illinois. People are perhaps illegally going across. I don't think that there'll be that many more that will do it. And as we've seen in Indiana, they just recently raised their tax. Other states could do that in the future after they make -- and they see what our move is. So, I think that's the best response I have for you. This does a lot of good things. I'd really appreciate an Aye vote. Thank you.

PRESIDING OFFICER: (SENATOR DeLEO)

Okay. Ladies and Gentlemen, the question is, shall House Bill 556 pass. Those in favor 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? Madam Secretary, take the record. On that question, there are 34 Ayes, 24 Nays, 0 voting Present. House Bill 556, having received the required constitutional majority, is declared passed. Okay. Ladies and Gentlemen, may I have your attention, please? With leave of the Body, I'd ask everybody to go to page 37 of your Calendar, the Secretary's Desk, Concurrences -- Concurrence on Senate Bill. In the middle of page 37 on Concurrence comes Senate Bill 1327.

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Senator Schoenberg, do you wish to proceed, sir? He indicates he wishes to proceed. Madam Secretary, please read the gentleman's motion.

SECRETARY SHIPLEY:

I move to concur with the House in the adoption of their Amendment No. 1 to Senate Bill 1327.

Filed by Senator Jeffrey Schoenberg.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Schoenberg, to explain your motion, sir.

SENATOR SCHOENBERG:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. I move that we concur in House Amendment No. 1 to Senate Bill 1327. House Amendment No. 1 adjusts the aggregate principle amount for the Illinois Finance Authority from 25.2 billion to twenty-eight billion seventeen million seven hundred and eleven thousand {sic}.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you, Senator. Is there any discussion? Is there any discussion? Senator Radogno, for what purpose you rise, ma'am? SENATOR RADOGNO:

...sponsor.

PRESIDING OFFICER: (SENATOR DeLEO)

Sponsor indicates he'll yield for a question, ma'am.

SENATOR RADOGNO:

First of all, Senator Schoenberg, does this have anything to do with money that the Governor has promised to loan school districts?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Schoenberg.

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SENATOR SCHOENBERG:

No. If anything, the urgency of this is tied to the fact -for me, one of the things that adds to the urgency of this is
that with the expansion of the quarantine area for the West Nile
Virus it now goes beyond just a portion of Cook County and Kane
County, and now has gone to a much broader suburban region.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Radogno.

SENATOR RADOGNO:

How much does -- is it going to cost to take care of the expansion of the West Nile Virus problem?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Schoenberg.

SENATOR SCHOENBERG:

That's yet to -- that's yet to be determined. However -- however, that I don't want you to get the impression that that's the only reason why things have changed. But since we first took the subject up much earlier in the Session that is one of the variables that's changed. But to the best of my knowledge about the schools, the answer would be no. Be -- it's my anticipation we're going to act on all the necessary measures in a timely fashion in order to be able to make the school payments.

PRESIDING OFFICER: (SENATOR DeLEO)

Further discussion? Senator Radogno.

SENATOR RADOGNO:

How much bonding authority does the Finance Authority have left right now?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Schoenberg.

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SENATOR SCHOENBERG:

I -- I believe it's in the area of about five billion dollars.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Radogno.

SENATOR RADOGNO:

I believe that's in the area of five billion dollars as well. And the fact is that this Authority usually issues about two billion dollars a year. So, that would leave three billion to deal with the mosquitoes. Do we really need to do this?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Schoenberg.

SENATOR SCHOENBERG:

Senator Radogno, I could say that answer bugs me, but I won't. What -- what I will say is that as you're aware, as both Caucuses are aware here and as both Caucuses are aware across the Rotunda, there are a number of projects which have already been approved and yet they have been in the queue because there has not been any increase in the bond cap. And it's for that reason why we're making this increase. And as you'll notice, the original request was to go up from twenty-five to thirty and in order to tailor it more specific to the need, it's actually -- that has come down as a result of House Amendment No. 1 that I'm asking you to concur upon.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Radogno.

SENATOR RADOGNO:

Thank you. The point here is, I think we've gotten into a lot of trouble by -- by borrowing a lot of money when we don't

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have really clear specific purposes for it and giving this administration the ability to do that. Since we don't need this money, since they still have five billion in authority left, I would suggest that you cast a No vote.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you. Further discussion? Senator Brady, you seeking recognition, sir? Senator Brady.

SENATOR BRADY:

Thank you, Mr. President. Will the sponsor yield?
PRESIDING OFFICER: (SENATOR DeLEO)

Sponsor indicates he'll yield for a question, sir.

SENATOR BRADY:

Senator Schoenberg, are you aware that Ali Ata, the IFA's former Executive Director from January of '04 through March of '05 was indicted on federal fraud charges? The alleged fraud included -- included letterhead to falsely indicate IFA finance authority was pending in an illegal effort to assist Blagojevich fundraiser Tony Rezko's business scheme? Are you -- are you aware of that, Senator?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Brady, could we address our comments to the bill, sir? Senator Schoenberg. Senator Schoenberg.

SENATOR SCHOENBERG:

Senator Brady, you -- you may recall - you're not a member of the Appropriations Committee which I chair and which I serve on - there was strong bi-partisan disgust with how the Illinois Finance Authority was conducting its affairs. It wasn't limited to any one side of the aisle. The audit that I read from the Illinois Finance Authority for that time was one of the worst

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audits that I've read and that I've reviewed in any of my time here. And as a result, that leadership had all been replaced. We are now two executive directors removed. I think that the process of holding people accountable for their actions is already in motion, which is not to say that that should poison or contaminate the ability of this Finance Authority to issue bonds for a number of worthwhile policy objectives. One of which is going to be as a result of this Amendment No. 1, the ability of - of the State to acquire open space so that we permanently have it and can keep it from being developed all throughout the State. PRESIDING OFFICER: (SENATOR DeLEO)

Further discussion? Senator Brady. SENATOR BRADY:

So, Senator, you are aware that the Blagojevich administration and this appointee was indicted for fraud in the use of this? Ladies and Gentlemen, with all due respect to Senator Schoenberg, I don't believe he's an expert on whether or not this agency has been purified. It certainly has been poisoned by the Blagojevich administration, its appointee and through the contact with Tony Rezko. This is no time to be expending new revenues -- or the State-backed revenues and increasing the bond authority. Ladies and Gentlemen, this is too early. Senator Schoenberg has not given us any assurances that this agency has been cleaned up. I urge a No vote.

PRESIDING OFFICER: (SENATOR DeLEO)

Okay. Ladies and Gentlemen, seeing no further discussion, Senator Schoenberg, to close, sir.

SENATOR SCHOENBERG:

This increased spending capacity will enable the Illinois

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Finance Authority to do a number of land acquisition and conservation purchases in addition to a number of other transactions which have been in the queue for quite some time. The former interim Executive Director Jill Rendleman and her staff did an exemplary job, both parties believe, in cleaning up the integrity of this agency and I have every bit of confidence in the new executive director that she will continue upon that path and I urge an Aye vote.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you, Senator. Ladies and Gentlemen, this is final action. The question is, shall the Senate concur in House Amendment No. 1 to Senate Bill 1327. All those in favor will vote Aye. All those opposed will vote Nay. The voting is open. Have all voted who wish? Madam Secretary, please take the record. On that question, there are 36 Ayes, 21 Nays, 0 vote -- 1 voting Present. The Senate concurs in House Amendment No. 1 to Senate Bill 1327. The bill, having received the required constitutional three-fifths majority, is declared passed. Senator Brady, are you seeking recognition, sir?

SENATOR BRADY:

Thank you, Senator DeLeo, Mr. President, we would like to verify the roll call.

PRESIDING OFFICER: (SENATOR DeLEO)

Okay. The gentleman has request -- Senator Brady has requested a verification. Will the Members please be in their seats? The Secretary will read the affirmative votes. Madam Secretary.

SECRETARY SHIPLEY:

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Bond, Clayborne, Collins, Crotty, Cullerton, DeLeo, Delgado, Demuzio, Forby, Frerichs, Garrett, Haine, Halvorson, Harmon, Hendon, Holmes, Hunter, Jacobs, Koehler, Kotowski, Lightford, Link, Maloney, Martinez, Meeks, Munoz, Noland, Raoul, Ronen, Schoenberg, Silverstein, Sullivan, Trotter, Viverito, Wilhelmi, and Mr. President.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you, Madam Secretary. Senator Brady, do you question the presence of any Member voting in the affirmative, sir? SENATOR BRADY:

Thank you, sir. Senator Maloney.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Maloney is in the -- Senator Maloney in the Chamber? Senator Maloney. Senator Maloney in the Chamber? Is Senator Maloney in the Chamber? It's Pledge Allegiance time. Senator Hendon, for what purpose do you seek recognition, sir? SENATOR HENDON:

Mr. President, did Senator Brady, I believe when he put his motion in, did you move -- decide that that motion was in order or not in order? Wasn't this -- what is the ruling of the Chair on how many votes that this takes for passage? Is -- this should only take thirty votes. Is that correct?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Hendon. Senator Hendon.

SENATOR HENDON:

Are you now cutting my mike off, Mr. President? I am in your party, you know that? Could you -- could you confer with the Parliamentarian, because I'd like a decision from the Parliamentarian on exactly how many this takes to pass this.

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Because the last bill - Senator Cullerton's bill on the --smoking ban only took thirty. But that's okay, Mr. President, you can -- it may only take thirty. But you think it takes thirty-six? Okay. All right.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Brady, Senator Maloney is in the Chamber. Senator Maloney. Senator Brady, do you question the presence of any other Member, sir, voting in -- their presence -- in the affirmative?

SENATOR BRADY:

No, but I think you ought to take up Senator Hendon's motion.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Hendon's motion is out of order, sir. Okay. Ladies and Gentlemen, on a verified roll call there are 36 Ayes, 21 Nays, 1 voting Present. The bill -- Senate Bill 1327, having received the required constitutional three-fifths majority, is declared passed. And just for purposes of -- clarification, the Senate does concur in House Amendment No. 1 to Senate Bill 1327. Okay. Ladies and Gentlemen, the -- the Senate Committee announcements have been made. The Senate will stand in recess to the call of the Chair. We will be coming back after committees for further Floor action. The Senate stands in recess to call of the Chair.

(SENATE STANDS IN RECESS/SENATE RECONVENES)

PRESIDING OFFICER: (SENATOR HENDON)

The Senate will come to order. Madam Secretary, Committee

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Reports.

SECRETARY SHIPLEY:

Senator -- Senator Demuzio, Chairperson of the Committee on State Government and Veterans Affairs, reports a Motion to Concur with House Amendment No. 2 to Senate Bill 770 recommend Do Adopt.

Senator Silverstein, Chairperson on the Committee -- of the Committee on Executive, reports Senate Amendment No. 4 to Senate Bill 2 and Senate Amendment Nos. 1, 2 and 3 to House Bill 2035 recommend Do Adopt.

Senator Cullerton, Co-Chairperson and Senator Dillard, Co-Chairperson of the Committee on Judiciary-Civil Law, reports a Motion to Concur with House Amendments 3 and 4 to Senate Bill 997 recommend Do Adopt.

Senator Crotty, Chairperson of the Committee on Local Government, reports a Motion to Concur with House Amendment No. 1 to Senate Bill 837 recommend Do Adopt.

Senator Lightford, Chairperson of the Committee on Education, reports a Motion to Concur with House Amendment No. 1 to Senate Bill 844 recommend Do Adopt; and Senate Amendment No. 2 to House Bill 38 recommend Do Adopt.

And Senator Schoenberg, Chairperson of the Committee on Appropriations II, reports Senate Amendment No. 4 to Senate Bill 1110 recommend Do Adopt.

PRESIDING OFFICER: (SENATOR HENDON)

Supplemental -- Supplemental Calendar has been distributed. On the Order of Concurrence Senate Bills is Senate Bill 770. Senator Sullivan, do you wish to proceed? Madam Secretary, please read the motion.

SECRETARY SHIPLEY:

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I move to concur with the House in the adoption of their Amendment No. 2 to Senate Bill 770.

Filed -- filed by Senator John Sullivan.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Sullivan.

SENATOR SULLIVAN:

Thank you, Mr. President, Members of the Senate. This is a technical amendment. It simply adds the language of -- that the -- the sale of the property is subject to a Historic Preservation Covenant.

PRESIDING OFFICER: (SENATOR HENDON)

Is there any discussion? This is final action. The question is, shall the Senate concur in House Amendments {sic} No. 2 to Senate Bill 770. All those in favor will vote Aye. Opposed, say {sic} 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 57 voting Aye, none voting Nay, none voting Present. The Senate concurs in House Amendments {sic} No. 2 to Senate Bill 770, and the bill, having received the required constitutional majority, is declared passed. Senate Bill 873 -- Senator Haine. Senator Haine, you wish to proceed? 837. Madam Secretary, please read the motion. SECRETARY SHIPLEY:

I move to concur with the House in the adoption of their Amendment No. 1 to Senate Bill 837.

Filed by Senator William Haine.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Haine, to explain your motion.

SENATOR HAINE:

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May I proceed on... May I ask the indulgence, Senator Righter?

PRESIDING OFFICER: (SENATOR HENDON)

Senator Haine, to explain your motion.

SENATOR HAINE:

Thank you, Senator -- or, Mr. President and Senators. This has a number of components. We voted on all of them in different bills. It is a -- a transfer for funds to participating fire protection districts to reimburse volunteer firefighters who -- who are stationed at remote telephone switching facilities when dedicated 9-1-1 calls -- it is a decrease in the per-cell phone charge for downstate cell phones that go to 9-1-1 for a two-year period and an eight-million-dollar transfer to the...

PRESIDING OFFICER: (SENATOR HENDON)

Is there any discussion? This is final action. The question is, shall the Senate concur in House Amendments {sic} No. 1 to Senate Bill 837. All those in favor will vote Aye. 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 46 voting Aye, 1 voting Nay, none voting Present. The Senate concurs in House Amendments {sic} No. 1 to Senate Bill 837. And the bill, having received the required constitutional majority, is declared passed. Senator Righter, the Floor is yours, my -- my good friend.

SENATOR RIGHTER:

Thank you, Mr. President. The Senate Republicans would request a caucus immediately in Senator Watson's Office.

PRESIDING OFFICER: (SENATOR HENDON)

A Republican -- a -- that request is always in order,

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Senator. I -- we do have two noncontroversial pieces of business on the Calendar. Would you mind if I get through those? Senator Righter.

SENATOR RIGHTER:

What -- Mr. President, inquiry of the Chair.

PRESIDING OFFICER: (SENATOR HENDON)

State your inquiry, sir.

SENATOR RIGHTER:

What is the Chair's intention insofar as the schedule is for this evening, Mr. President?

PRESIDING OFFICER: (SENATOR HENDON)

We were hoping you didn't call a caucus. We intend to do business, sir.

SENATOR RIGHTER:

Well, Mr. President...

PRESIDING OFFICER: (SENATOR HENDON)

Senator Righter.

SENATOR RIGHTER:

The two noncontroversial bills you're referring to, Mr. President, after that can you tell me and our Members what your intention is as far as the schedule?

PRESIDING OFFICER: (SENATOR HENDON)

My intention is to grant you your caucus, my friend. It's always in order. Senator Righter.

SENATOR RIGHTER:

Thank you, Mr. President. Then we would request the caucus immediately then. Thank you.

PRESIDING OFFICER: (SENATOR HENDON)

There will be a Republican Caucus till 11:30. 11:30.

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Senate -- Senate stands in recess to call of the Chair. 11:30.

(SENATE STANDS IN RECESS/SENATE RECONVENES)

PRESIDING OFFICER: (SENATOR HENDON)

The Senate will come to The Senate will come to order. order. Will all Senators under the sound of my voice please come to the Senate Floor? It is now 11:30. Will all Senators under the sound of my voice please come to the Senate Floor? 11:30. We're going to continue our business. Will all Senators under the sound of my voice please come to the Senate Floor immediately or as soon as possible? Will all Senators under the sound of my voice please come to the Senate Floor? We're about to go to substantial -- substantial Senate business. the Body, we are going to be going to House Bills 3rd Reading. Page 33 of your Calendar. House Bills 3rd Reading. Page 33 of your Calendar is House Bill 3866. Senator Trotter. Senator Trotter -- seeks leave of the Body to return House Bill 3866 to the Order of 2nd Reading for the purposes of amendment. Hearing no objection, leave is granted. On the Order of 2nd Reading is House Bill 3866. Madam Secretary, are there any amendments approved for consideration?

SECRETARY SHIPLEY:

Floor Amendment No. 1, offered by Senator Trotter.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter, to explain your amendment.

SENATOR TROTTER:

Floor Amendment No. 1 to House Bill 3866 is the budget for FY 2008. It is the operating budget framework, which I will be

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presenting today to all of you. It reflects a real-time assumption from COGFA that we'll be spending in '08 thirty billion one hundred and ninety-one million dollars, which we will proceed to get through the various sources of personal income tax, a six percent growth of seven hundred eighty-five million dollars; corporate tax taxes of two hundred and four million dollars; two hundred and eighty-seven million dollars for sales tax, which is a four percent increase. The Cook County IGT we will subtract out of that, but from other miscellaneous sources we will get sixty-six million dollars. Also transferred in to this we will have eighty million dollars from the hospital assessment. We will be receiving from federal sources with no Illinois Covered dollars two hundred and eighty-two million dollars. Further new revenues from Senate Bill 1544 at a rate of one hundred twenty-two million dollars. And also for the Department of Revenue's improved auditing thirty-three million dollars for a grand total of revenues for our spending -priorities of 1.5 hundred and fifty-one million dollars.

PRESIDING OFFICER: (SENATOR HENDON)

Is there any discussion? Senator Pankau, on the amendment? Senator Pankau.

SENATOR PANKAU:

Thank you. Just one question of the sponsor. Is this the exact same appropriation that passed the House earlier today?

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter.

SENATOR TROTTER:

Yes, it is. It is the exact appropriation, however, there have been some technical changes to the bill that we discovered

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that there were some drafting errors that we have talked to the other Chamber about that we have made those corrections in here. One in specific, we were giving a -- a COLA to the DD. The number that was reflected here is the same number they had. However, they had it at a different percentage so we changed those kinds of things in here so that it'll be correct when it'd go over.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Pankau.

SENATOR PANKAU:

And all parties know about it and all parties agree. Correct?

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter.

SENATOR TROTTER:

Yes. Our staff has spoken with their Chamber to tell them what we were doing as we were going to amend it to this bill tonight.

PRESIDING OFFICER: (SENATOR HENDON)

Senator -- is there any further discussion? Seeing none, this is final action. Senator Trotter moves the adoption -- it's not final action. Senator -- Trotter moves the adoption of Amendment No. 1 to House Bill 3866. All those in favor will say Aye. Opposed will say Nay. The Ayes have it, and the amendment is adopted. Are there any further Floor amendments approved for consideration?

SECRETARY SHIPLEY:

No further amendments reported.

PRESIDING OFFICER: (SENATOR HENDON)

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3rd Reading. Now on the Order of 3rd Reading is House Bill 3866. Senator Trotter, do you wish to proceed? Madam Secretary, read the bill.

SECRETARY SHIPLEY:

House Bill 3866.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter.

SENATOR TROTTER:

Thank you very much, Mr. President and Members of the Senate. Again, this is the budget for FY 2008. I just mentioned to you what our revenue sources are. The expenditure part of this goes, we'll have twenty-five million dollars which will accommodate the one -- one thousand one hundred and twenty staff hirings through ASFCME. Through Aging, it says that we will bring in another 31.8 million dollars for the community care programs; there'll be an additional two million dollars for home cared -- home delivered meals; the elder abuse reflects another one billion -- one million dollars in growth. Going down to health care and family services, for our medical programs and prescription drugs, it assumes that we have 452.3 million dollars; for institution and mental disease, the IMDs, a 3.7million-dollar increase; for the MDS, in its second year, it has a 37.5-million-dollar increase. Human Rights 2.8, which will add 1.5 for additional staff to reduce backlog of cases. In human services we have 197.2 million dollars increase overall budget which represents thirty-two million dollars for services, SEIU; three present COLA annualization for providers

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for -- from FY'07 to 6.9; DD increases including 2.5 percent for COLAs; addiction treatment, three percent for the cost of doing business; an additional three million dollars for school-based health centers, which will allow them to expand to at least twenty-one more centers. In higher education, all universities will get a two percent increase to their universities. We have put more dollars in for the Illinois Education Foundation; seven million dollars for the ICCB base operating grants; another 7.2 million dollars for veterans grants. In public health, we have added to their budget 1.8 million dollars for breast and cervical cancer screenings; three million dollars for community health center expansions; another one million dollars for a perinatal services network. Going on down the list to the State Board of Education, this year we've added 604.6 million dollars, which is the highest increase ever in the State of Illinois to the State Board of Education, which represents a three-hundred-and-eightmillion-dollar increase to general State aid, which is four hundred dollars per pupil taking this up to the foundation level of -- or, near the foundation level of five thousand seven hundred thirty-four dollars per pupil. For the first time, we have funded hundred percent of the mandated categoricals, which is 185.5 million dollars. Early childhood education gets a twenty-five-million-dollar increase, from three hundred and eighteen to three hundred and forty-three million dollars. Fast growth and overcrowding gets twenty million dollars, fifteen going to fast growth, fifteen {sic} (five) to overcrowding, in the urban areas; textbook loans up to thirteen million dollars; bilingual education up from last year to 8.5 million dollars; gifted education an additional five million dollars. We have

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reenrolled students, targeted intervention, after school programs, growth models, truant/alternative optional education, again, for a total of 604.6 million dollars. We have put more dollars in here for the annualization of the subsidy to Amtrak at the rate of 3.8 million dollars. We have put 2.2 million dollars for a new eighty-bed expansion at the LaSalle Home. Another .8 {sic} (.1) million dollars for Veterans Conversation {sic} (Conservation) Corp. And this budget also assumes that we will pay the -- the full pension liability ramp up this year of five hundred and fifty-seven million dollars, and further assumes that we will remain at a fifty-seven-day Medicaid payment cycle rate. PRESIDING OFFICER: (SENATOR HENDON)

Thank you, Senator. Leader Watson. SENATOR WATSON:

Yes. Thank you, Mr. President. And I appreciate the diligence of the Body here all day and in fact over the last several weeks. Everybody working hard and long trying to get something done. We started this Session, we on this side of the aisle with budget negotiations and with goals. We wanted to see the State live within its means. We wanted to meet our existing obligations. We wanted to prevent budget-busting new programs, say no to new taxes and then try to help the good people of this State, creating work and jobs and opportunities. This budget is what we would have to consider to be a low-growth budget in light of the -- what we saw when it was initiated by the Governor. This uses natural revenue growth, no tax increases. Significant increases, Senator Trotter mentioned, for a lot of important services for the State in certainly education, elementary, secondary and higher education, which is contrary to what the

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last five years have been. We haven't seen much increases for higher education and I appreciate the consideration that's been given to those people in our colleges and universities throughout this State. It makes the full pension payment. That's another important factor, I think, that we can point to as being a success in this particular point -- in this particular budget. It funds the ASFCME contract, including an additional twenty-five million dollars for front-line employees for critical services at Department of Corrections, Department of Human Services. funds the Medicaid growth. We have some concerns about that. We've expressed that. We've -- concerns about the expansion of Medicaid, but it's there and it does fund that growth. bloated, unaffordable new programs. I just can't say that No tax increases. We totally rejected the gross receipts tax. We totally rejected the sale and the lease of the Lottery. All other tax increases were rejected. So, there's a lot of good things to say about this budget and this process. And we can walk out of here and -- knowing that the people of this State were well served by what was done. I urge an Aye vote.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Radogno.

SENATOR RADOGNO:

Thank you, Mr. President. Senator Trotter and Senator Watson have already talked about some of the good things in this budget. And again, including funding the pensions, which is something that we've all been very, very concerned about, meeting our obligations, additional money for a lot of the programs that we all really do care about. Oftentimes there's a few things in

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here that we're not going like and -- and certainly that's the case here. But one thing I want address is whether or not this budget balances, because that's been an issue that's been raised. As Senator Trotter pointed out, we've had more accurate revenue estimates, because we've gone on this long. There's some other things in here that we've done to take some of the flexibility that used to be in budgets that the Governor has used in order to expand programs midyear. That's been wrung out of this budget. So, this budget will balance if and only if the Governor manages State government. That means he can't go around putting executive orders in place and starting new programs, using money that he's squirreled away somewhere. We're taking the money he used to squirrel away and putting it towards the programs that we all think are important. What that means is that there's not going to be a lot of flexibility next year either. So, as we go forward we need to be careful that we don't continue to expand government, that we keep focused on the things that we think are important in -- in serving the people of this State. On balance, this is a far, far better budget than was introduced in February. So, I'd like to think it is worth it, the fact that it's now almost August 10th. But we do have a product here that's going to keep State government running and that's what we're all about. So, I, too, would urge an Aye vote. Thank you.

PRESIDING OFFICER: (SENATOR HENDON)

Leader Halvorson.

SENATOR HALVORSON:

Thank you, Mr. President. What a wonderful day it is in State politics when we can all stand here and agree about something. And if it wasn't for the Senate President, who stood

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strong on making sure that we put more education into this budget -- more education dollars into this budget than ever before in the history. We didn't back down to all the other things that weren't so important. We kept up and did what was right. It's - it's kind of ironic that we listened to the other side talk about everything they did. But we are here together at the end of the day. I just hope that this isn't just rhetoric and the other side will continue to stand with us on all the other parts that we need to do instead of posturing and talking about it. So, I'm thrilled that we're all here today talking about a balanced budget, putting more money into help the working people of this State. Again, let's make sure, though, as we continue this process there are a few other things to do than just this budget. And I look forward to working with everybody on both sides of the aisle to make sure that happens.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter. Senator Trotter? No. Not to close, sir. Senator Brady. Ladies and Gentlemen of the Senate, please show some decorum. Senator Brady.

SENATOR BRADY:

Thank you, Mr. President. I appreciate that. Ladies and Gentlemen, it is with great reluctance that I stand here today or this evening in support of -- of this document. This budget does some very good things. And it certainly is a -- a wish and a hope list for the people of Illinois in some of the areas. But there are problems with this budget, too, that we need to point out. But let's first talk about the good things. As Senator Watson said, we defeated the single largest tax increase ever introduced in any State and we ought to give ourselves an

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applause for that. Let's give ourselves an applause for that. PRESIDING OFFICER: (SENATOR HENDON)

Will the Senate come to order? Senator Brady, such outbursts simply are not going to be tolerated at this late hour. SENATOR BRADY:

My -- my -- my jubilance just can't be restrained.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Brady.

SENATOR BRADY:

We also defeated a payroll tax which would have, as the gross receipts tax, driven more jobs out of this State. There is a lot of good in those defeats. But let's be honest. budget is not perfect. Governor Edgar could manage this budget and balance it. We all know that. And many of us served with him and saw him do that. Most of us have great concerns about whether the Blagojevich administration can do that. But I, for one, am hopeful. I, for one, am hopeful. The revenue estimates in this budget are off the charts. We all know they're about six to seven hundred million dollars more than we have, but that's what it took to get the votes to pass this budget. This budget only works if Governor Blagojevich manages his spending. We all know that and it's incumbent upon us as we vote for this budget to work with the administration to make sure they do so. Let me also speak to what the media will refer to as the pork projects and what we will refer to as Member initiatives. I, too, supported my district by initiating causes in my district. Ladies and Gentlemen, the State of Illinois cannot afford the pork projects or the Member initiatives in this budget. I am asking the Governor to amendatorily veto those out of this

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budget. And it is because of that -- it is because of that and my hope that he does that and he works to balance this budget that this budget will pass and will work for Illinois. Thank you.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Sandoval.

SENATOR SANDOVAL:

Thank you, Mr. President and Members of the Illinois Senate. It's -- it's a bittersweet moment for the people of Illinois. It is a moment tough for me for -- even to swallow on the eleventh hour, in the eighth month of this General Assembly. nothing to be proud of to be here. It is nothing to be proud of to be here on voting on a budget that still doesn't resolve some of the -- or, find solutions to some of the top priorities and needs of the people of Illinois. As it relates to mass transit, as it relates to property tax relief and as it relates to overcrowding or school construction, it -- it is a -- it is a step forward in trying and good faith effort. And I applaud the leadership of my Caucus, and I applaud the leadership of President Jones in his quest and his vision to increase education for all the children of Illinois. The increase in education is one that is historic, is one that is greater than any single amount during this Blagojevich administration. He is -- we are -- he is to be applauded for sticking to his guns and improving education for all the children of Illinois. But the job is not The job is not done, because in a few days the CTA will shut down many of its services in our community. The Pace --Pace and suburban Pace has already shut down weekend services. The issues facing mass transit are enormous and yet to be

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resolved. Property tax relief. Electric rate relief, it is still sitting on the Governor's desk waiting to be signed. This is not a proud moment. This is a moment -- this is a moment of compromise, of resolve. The Latino community, the community of the southwest side has benefited by waiting for this moment by having gains in education, public health, mental health and commitment for the future in regards to overcrowding and school construction. We need to come back and finish the business of the people of Illinois. And, it is not a time to be singing Kumbayah, because there is nothing really at the end of the day to be really proud of since it took us eight long months and nearly a million dollars of the taxpayer's money. I -- I urge an Aye vote on House Bill 3866.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Lauzen.

SENATOR LAUZEN:

Thank you, Mr. President. Several questions for the sponsor. Will he yield?

PRESIDING OFFICER: (SENATOR HENDON)

He indicates he will. Senator Lauzen.

SENATOR LAUZEN:

Thank you, Mr. President. Is this approximately a -- an eight to a nine-percent growth in GRF spending?

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter.

SENATOR TROTTER:

Over last year, correct.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Lauzen.

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SENATOR LAUZEN:

Is this budget balanced according to generally accepted accounting principals?

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter.

SENATOR TROTTER:

Since I don't know what book you -- you call general, I cannot just answer that question that way. But, yes, this bill is balanced, predicated on the historical growth that we've had over the past five years using that as an average, and looking at the numbers and the -- the various other revenues that we have coming in.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Lauzen.

SENATOR LAUZEN:

What is the total amount of the Member initiative spending in the budget that you're asking us to approve?

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter.

SENATOR TROTTER:

Two hundred and fifty million dollars.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Lauzen.

SENATOR LAUZEN:

What will occur to the payment cycle under this proposed spending plan?

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter.

SENATOR TROTTER:

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It will remain at fifty-seven days.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Lauzen.

SENATOR LAUZEN:

And then final question, is there any property tax relief in this budget?

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter.

SENATOR TROTTER:

No.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Jacobs.

SENATOR JACOBS:

Thank you, Mr. President. I want to take a moment to thank someone who's really been overlooked and I believe is going to -going to go down in history have -- done a very good thing. And that's Senate President Emil Jones. Every child in Illinois who's of school age will receive four hundred dollars additional for their foundation level. That's a legacy. It's not perfect, but it's better than what we had. I also want to thank my friends on the Republican side of the aisle. You fought hard. You killed the GRT. I think it's a good thing. I also want to thank Speaker Madigan. He did an excellent job of providing steady leadership. But the one person I want to thank the most is my friend, Senator Sandoval, because he sits here by me every day and we love to joke and we love to have a little fun. And for a few months now we've been talking about the Kool-Aid. They wanted us to drink the Kool-Aid to vote for the GRT. They wanted us to drink the Kool-Aid to vote for a health care plan we

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couldn't afford. So, I'd like to present to Marty Sandoval this jumbo -- jumbo size Kool-Aid, so he doesn't forget who I am and enjoys his summer. Thank you, Senator.

PRESIDING OFFICER: (SENATOR HENDON)

I don't quite get the Kool-Aid and I'm -- kind of tired of Kumbayah moments, but certainly there's another way to go. Senator -- Senator Link. Senator Link. Senator Terry Link, on the budget? Senator Terry Link. Are you seeking recognition, Senator Link? Senator Link. Senator Forby. Senator Forby.

Questions of the sponsor.

PRESIDING OFFICER: (SENATOR HENDON)

He indicates he will yield. Senator Forby.

SENATOR FORBY:

Is there any money in here for school construction?

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter.

SENATOR TROTTER:

That's the next bill that's coming up.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Forby.

SENATOR FORBY:

And there's no money in here for roads either?

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter.

SENATOR TROTTER:

That's all in the capital bill.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Forby.

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SENATOR FORBY:

So, we are going to address that tonight?

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter.

SENATOR TROTTER:

I do not make the schedule. This is the operations bill, which will fund all the necessary expenses and operating -- operations for the agencies of the State of Illinois. This bill will ensure that our employees gets paid on time, that we will meet our obligations for negotiated contracts and also put more dollars in there for children in schools and create more health clinics. This has nothing to do with capital - roads, buildings or anything of that nature.

PRESIDING OFFICER: (SENATOR HENDON)

Senator -- Senator Forby.

SENATOR FORBY:

I just want to make sure that we do go a little farther than this. And what we've done today, this has been a fantastic bill. And it has done a great thing. But we have not went far enough. We've got kids out there in our schools that roofs are falling in on, air conditioners will not work. We got roads -- we've seen in other states where bridges has fell in. We have to do something about that and we can't leave here till we do that. That's something that we owe to the people in this State of Illinois. I'm glad that we are going to be looking at a capital bill tonight because that's something that we have to do. Thank you.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Lightford.

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SENATOR LIGHTFORD:

Thank you, Mr. President, Ladies and Gentlemen of the I rise in support of House Bill 3866 for many reasons. We have addressed a dire need in our communities dealing with Many of us thought that this was the year for education, this was the year for total reform, this was the year for property tax relief and many of us is still saddened that we cannot go far enough with property tax relief in funding our schools at EFAB's recommendation. But there are so many good things that our President stood for. And although we've been here two months longer, Senator Sandoval, than many of us wanted to be we can leave here proud to know that we put more money into education than we have over many years and instead of a fourhundred-ten-million-dollar increase that every other caucus supported, we have over five hundred and sixty million going into our foundation level. We've also addressed the NCLB, No Child Left Behind, mandate. That concept is not working in the State of Illinois, it's not working in many states. And so here in Illinois we've decided to implement the growth model process so we can try to help our children improve in reading and math. We're looking to address closing the academic achievement gap and acknowledging those school districts that have been on the academic failing watch list for five years with targeted interventions. We also need to make note to our line item that we increased for truant alternative schools. There's no secret that our high school dropout rate is on the rise and there is a stand that we had to take and I'm really glad that we took the time in this budget to increase funding for that area. We spent a week hearing subject matter on education from teachers and

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principals and superintendents and school board presidents from across the State and we really took at heart some of the things that they brought to our attention. We all should be proud of an increase in our special education reimbursement for noncertified teachers, as well as certified teachers. This is an area that had not been increased since 1985. And there is many things about education that we can all say - we put more money in the foundation, we fully funded mandated categoricals. But I've got to tell you, it's been an honor being on this side of the aisle and representing our Caucus on education funding, because we were the only caucus that was willing to do whatever we could to make sure that our children across the State of Illinois receive adequate moneys coming from us. And I hope that this is just the beginning, that next year we look to relieve property taxes, we look to restructure how we fund our schools. We have to do a better job at this. This is only the beginning and I urge an Aye vote.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Trotter, to close.

SENATOR TROTTER:

Thank you very much, Mr. President and Members of the Senate. If we had this type of -- cooperation three weeks ago, we could have been home three weeks ago. Certainly that would have been overtime. But three weeks ago, the Senate Democrats had a budget. This bill here represents over ninety percent of what we had in that budget, but the cooperation wasn't there. But we're here today and that's a good thing. I just wanted to address one of the -- the Members who said something about Governor Edgar. I was here Governor Edgar was here and I

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remember when he presented what we called a crossbones budget. He definitely balanced his budget on the backs of -- of poor people, of those people who could least afford anything. then after he made his cuts in his budget, not reductions, Governor Edgar raised the income tax. So, he may have been a great man, but no one in this Chamber wanted to raise an income tax, not a half a percent, not a one percent. So, I quess that would have made him great to do that and you could have been great, if you probably would have done along with that this time around. But we didn't go that route. We are here today. By no stretch of the imagination is this a great budget. You can even force yourself to -- and call it a good budget. But it's a budget that has expanded programs that are proven to work, programs that have been proven to help children, to help the elderly. We didn't stick with what everyone said, let's have a no-growth budget which kept us here after May, going into June and all of July. We came up with a plan that truly allows us to go forward, to build on our successes, to help us remain viable and competitive not only with our other State neighbors, but also globally. We're going to do a good thing by voting Yes for this. The work is not finished. Senator Forby. Senator Forby says we need -- now we need capital. We need a place where our children can learn. It's just as -- as important of where they learn as what they learn. It's conducive to good thinking. We need to do that. We have to make sure that we can take care of our bridges and our roads and all of those other needs. But we'll see that bill in -- in House Bill 1110. But at this juncture I just want to thank all of you and everyone that has worked to make this happen, to bring this to fruition today. And I ask for an Aye

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vote.

PRESIDING OFFICER: (SENATOR HENDON)

The question is, shall House Bill 3866 pass. Those in favor will vote Aye. Opposed will vote Nay. And 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 52 voting Aye, 5 voting Nay, none voting Present. The bill -- House Bill 3866, having received the required constitutional majority, is declared passed. Senator Cullerton, for what purpose do you seek recognition?

SENATOR CULLERTON:

Point of personal privilege.

PRESIDING OFFICER: (SENATOR HENDON)

State -- state your point.

SENATOR CULLERTON:

The -- the hour has struck midnight. It's already tomorrow and therefore, I have an announcement. This is the birthday of my seatmate, my partner, my friend, Senator James DeLeo. Happy birthday.

PRESIDING OFFICER: (SENATOR HENDON)

How you doing? How you doing? How you doing? How you doing? Happy birthday. I would -- do not make the request to sing happy birthday, because the last time I did that I got some negative press. So, Senator Cullerton.

SENATOR CULLERTON:

Is my...

PRESIDING OFFICER: (SENATOR HENDON)

...have some Kool-Aid. Senator Cullerton.

SENATOR CULLERTON:

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I just want to clarify something. He's my business partner. PRESIDING OFFICER: (SENATOR HENDON)

Senator -- happy birthday, Senator DeLeo. You look younger than Moses. I don't know. Senator Burzynski, for what purpose do you seek recognition, sir?

SENATOR BURZYNSKI:

Thank you, Mr. President. You know, I've never -- I don't think I've ever done this before, but I neglected to vote on that last bill and I'd like for the record to reflect my intention was to vote Yes. Thank you.

PRESIDING OFFICER: (SENATOR HENDON)

The record will so reflect. It's the lateness of the hour, I'm certain. Ladies and Gentlemen of the Senate, please turn your Senate Calendar to Senate Bill -- I mean, to page 3. On the Order of 3rd Reading, on page 3 of your Senate Calendar, is Senate Bill -- with leave of the Body, we're -- go to page 3 of your Senate Calendar. Top of your Calendar, Ladies and Gentlemen of the Senate, is Senate Bill 2. Senate Bill 2. Top of your Calendar. With leave of the Body, we'll go to page 3 of your Senate Calendar. On the Order of 3rd Reading is Senate Bill 2. Senator Schoenberg. Senator Schoenberg seeks leave of the Body to return Senate Bill 2 to the Order of 2nd Reading for the purpose of amendment. Hearing no objection, leave is granted. Now on the Order of 2nd Reading is Senate Bill 2. Secretary, are there any amendments approved for consideration? SECRETARY SHIPLEY:

Floor Amendment No. 3, offered by Senator Trotter. PRESIDING OFFICER: (SENATOR HENDON)

We'll take Amendment No. 3 out of the record. Senator --

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Senator Schoenberg, on House Amendment No. 4. Madam Secretary, do you have any other Floor amendments approved for consideration?

SECRETARY SHIPLEY:

Yes, Mr. President. Floor Amendment No. 4, offered by Senator Schoenberg.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Schoenberg, on Amendment No. 4.

SENATOR SCHOENBERG:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. Floor Amendment No. 4 will become the bill, Senate Bill It will increase the bond authorization of the State of Illinois in two areas. It will increase the general obligation bond authorization by 7.9 billion and the Build Illinois authorization by 1.4 billion. I will quickly summarize how that breaks out. The GO bond authorization breaks out accordingly: 1.7 billion for school construction, school maintenance and early childhood maintenance; five hundred and fifty million for public universities; 4.3 billion for roads; 425 million for public transit; one hundred million for rail, freight, passenger transit; seventy-five million for airports; five-fifty million for capital projects at State facilities; two hundred million for energy development projects; ninety-eight million for environmental and water projects. Build Illinois bond authorization of 1.4 billion increase breaks out as follows: two hundred million for private universities; a hundred and fifty million for community colleges; 90.5 million for technology projects; three hundred million for energy development projects; fifty-seven million for environmental and water projects; and six

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hundred million for economic development projects and member projects. I urge the adoption of Floor Amendment No. 4. Be happy to answer any questions.

PRESIDING OFFICER: (SENATOR HENDON)

Is there any discussion? Senator Schoenberg moves adoption of Amendment No. 4 to Senate Bill 2. All those in favor will say Aye. Opposed will say Nay. The Ayes have it, and the amendment is adopted. Are there any further Floor amendments approved for consideration?

SECRETARY SHIPLEY:

No further amendments reported.

PRESIDING OFFICER: (SENATOR HENDON)

3rd Reading. Now on the Order of 3rd Reading is Senate Bill 2. Senator Schoenberg, do you wish to proceed? Madam -- Madam Secretary, read the bill.

SECRETARY SHIPLEY:

Senate Bill 2.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Schoenberg.

SENATOR SCHOENBERG:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. I gave you a brief summary of how these two areas increase. The GO bond authorization goes from approximately 27.6 billion dollars to approximately 35.6 billion dollars and the Build Illinois bond authorization goes from approximately 3.8 billion dollars to approximately 5.2 billion dollars. I urge your support for Senate Bill 2.

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PRESIDING OFFICER: (SENATOR HENDON)

Is there any discussion? Senator Radogno.

SENATOR RADOGNO:

Thank you, Mr. President. I think that this bill and probably the next two that we consider are all related. As we all know, everyone in this Chamber, I believe, is very, very interested in the capital program for this State. One of the things we need to do is pass bond authorization. I believe probably the next bill will be actually the capital program, as it's designed thus far. And then finally we have to address the revenue stream, which there seems to be at least some agreement that gaming might be the way to go. However, it is now 12:10 and this has been coming together very, very rapidly and at this point I don't think we have enough detail to make sure that this program is going to work the way we all want it to work. So, to give the -- the Governor nine billion dollars of authorization which will last at least five years, when we'll hear what the next bill, the actual capital program, that there's a lot of unanswered questions yet. And then finally, the gaming bill, which supports all this, which also has a lot of unanswered questions - it would not be prudent to be rushing it at this moment. There's been a lot of good work done from both sides of the aisle. We have been talking about it for the last several weeks. That's good. And we can definitely, I believe, get to a point where we can have a good capital program that will be distributed fairly and will be adequately supported by the revenue that we're talking about. But we are not there tonight and we would be foolish to go ahead and vote on this at this point. So, I voted Present in Committee in these -- on these

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bills and I would urge everyone to do that. We can get to where we need to go. We should not rush spending nine billion dollars of the taxpayers' money. So, let's vote Present. There is absolutely no reason - we've passed the budget now - the State's going to keep operating, assuming the Governor does the responsible thing and sign that bill that's passed overwhelmingly in both Chambers. And then we can take some time to get this right, to get the actual capital bill right and to get the gaming right. We can do it, but we can't do it in a rushed fashion. It's not fair to everyone. So, I would urge everyone to vote Present and let's come back and get it right.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Schoenberg.

SENATOR SCHOENBERG:

Thank you, Mr. President. I -- I would just say in response to that, that it echoes arguments that we have heard previously on why she -- we should wait. And we know that there are school districts throughout the State who, in good faith, have gone out and asked the taxpayers locally to get their -- to come up with their fair share of what it would take to improve the school buildings in their respective communities. And they've waited and they've waited and now we're being -- now we're being asked by my friend and colleague from the other side of the aisle to wait yet a little longer. We would ask those who are seeking to expand early childhood facilities to also wait. We would be asking in the areas of transportation, economic development, environmental and technology projects, all of which are integral to the current and future economic growth of this State. There's no need to wait further. I urge an Aye vote.

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PRESIDING OFFICER: (SENATOR HENDON)

Senator Risinger.

SENATOR RISINGER:

Thank you, Mr. President. I stand here tonight sad, angry, but more than that, mystified. There's been a lot of people that have done a lot of work on the capital bill. There's some people in the audience that -- with IDOT that did a lot of work. Senator Sullivan did a lot of work. I attended a lot of meetings. We asked from -- for some assurances from the Governor, who -- who said he would give us those assurances that the projects would be released. He would do something very positive, whatever we needed to do to assure that we could get those projects. So that we could have some good feeling that it was going to be done, 'cause we don't have any trust in the Governor, for good reason. And he has made it even clear now, because they didn't provide those assurances and I don't understand that. Hours and hours of work putting together a good program, a program that we need very badly. But I can't stand here tonight and vote for a program without those assurances that our projects won't be released. And I don't understand it. I really don't understand it. I have been told that you need our votes to pass this bill and we want to give those votes. I want to bring those projects back to my district because we need 'em. We need the schools. We need the roads. We need the bridges. I don't understand. What's the problem? Why can't we work Why can't there be a follow-through with what was promised? And it just leads more and more to this untrust and it's because of that, I mean, I -- I don't understand it. makes me mad. It makes me angry. And, yet, I hope at some time

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we get this straightened out and we can work together for the citizens of Illinois, because we really need this program. We worked on the revenue. We worked on the program. There's a lot of things in this that's good for everybody. Tonight it's not going to happen and I feel bad about that.

PRESIDING OFFICER: (SENATOR HENDON)

Leader Watson.

SENATOR WATSON:

Yes. Thank you. I -- I can't say it any better than the previous two speakers and I appreciate the sincerity in which it's been said. But we've spent an unbelievable amount of hours working with President Jones and the Governor and -- and Tom Cross, staff. Hours of time, hours, unendless, trying to come up with some sort of agreement that we can all walk out of here and feel we have assurances that that agreement will be fulfilled. So, it is with heavy heart I have to say, I mean, we've -- we've been pushing this and we've wanted this. We think it's important to the people of this State. We think it's important for the infrastructure for schools, for everything that you said, Senator Schoenberg. That's a -- that's why we think we -- we would want to be for this. But you have to understand, those of you on the other side. You have to understand that we have to have some sort of assurances that that commitment will be met. You've got to understand that. This happened in 2003. We had a similar situation on the pension bonding bill and vote that was taken here. Commitments were made then. Some of those Members are still in the Senate and they'll tell you that those commitments weren't fulfilled. So, there's a track record here. So, all we ask for -- several things that we ask for, in this whole process,

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was just assurances that we would have a -- a feeling of the fact that we will be fulfilled, in obligations that were made. And I hate to say it, that that hasn't happened at this point. I just talked to Representative Hoffman, who is a big part of all this and -- and he thinks that those commitments are still there. Well, we haven't seen it. He says they're in -- in -- why not make it available to us? That's all we've asked. And that's not -- unfair. And we're willing to continue to work on this, because we think it's important for the people of this State. And we -- we're willing to -- come over with us, we'll come to you, whatever it takes to get it done. But this isn't the one to do it. So, I encourage a No vote.

PRESIDING OFFICER: (SENATOR HENDON)

President Emil Jones.

SENATOR E. JONES:

Thank you, Mr. President. You know, it amazes me when folks get on the Floor and talk about the needs and the things they want to do. It amazes me when individuals talk about commitment, a need for capital, a need for school construction bonds, a need for a capital program to deal with our roads and our bridges. And you meet hour upon hour upon hour and you think you're coming together to come up with something positive for the people of the State of Illinois. And just when you get there, they change their mind, they throw another obstacle in the way. Senator Watson, I am through meeting. My patience have -- have worn thin, because there is not one sincere bone in your body. You're not interested in doing anything about the roads. You're not interested in doing anything about the bridges and you don't give a damn whether our schools across the State of Illinois have a

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capital bill. You have demonstrated it time and time again. Don't want to vote for it? I don't care. You came to my office several times, we've got to have a capital. Your counterpart in the House, we must have this capital bill. But I became -convinced last evening, after sitting talking with you and the Minority Leader in the House, that you did not want a capital bill. All you wanted to do is play a game. Well, Emil Jones is through playing games. I don't know why you stand on this Senate Floor and talk about the needs of the -- the people of the State of Illinois. If you really want to get it done you will get it done. But you don't care. So -- so the bonding authorization bill that is before us now, if you don't want to vote for it, don't vote for it. But don't come back tomorrow and ask the Members on this side of the aisle to put on all the votes for a bill that you're not even willing to vote for for yourself. So, let's stop playing games. Don't vote for the authorization. Listen to the gentleman in the other Chamber who -- who will pull your strings and you keep playing those silly games, but the gavel is still on this side of the aisle and you remember that in any future negotiation. Remember that.

PRESIDING OFFICER: (SENATOR HENDON)

Senate will come to order. Senator Righter.

SENATOR RIGHTER:

To the bill, please, Mr. President.

PRESIDING OFFICER: (SENATOR HENDON)

To the bill, Senator.

SENATOR RIGHTER:

Mr. President, I want to say very simply that the previous speaker's comments were both unfortunate and uncalled for. And

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they, more than anything else, were eloquent testimony of why we can't get things done in this building. Thank you, Mr. President.

PRESIDING OFFICER: (SENATOR HENDON)

Senator Schoenberg, to close.

SENATOR SCHOENBERG:

We've waited too long. I urge an Aye vote for Senate Bill 2.

PRESIDING OFFICER: (SENATOR HENDON)

The question is, shall Senate Bill 2 pass. Those in favor will vote Aye. Those opposed will vote Nay. And 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 34 voting Aye, 4 voting Nay, and 20 voting Present. Senate Bill 2, having not received the required constitutional majority, is declared failed. Senator Schoenberg.

SENATOR SCHOENBERG:

Would you please place Senate Bill 2 on Postponed Consideration?

PRESIDING OFFICER: (SENATOR HENDON)

Senator Schoenberg requests that Senate Bill 2 be postponed. The bill will be placed on the Order of Postponed Consideration. House Bill 2035. House Bill 2035. Out of the record. There being no further business to come before the Senate, the Senate stands adjourned until the hour of 11 a.m., August 10th. The --Senate stands adjourned.