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PRESIDING OFFICER: (SENATOR DeLEO)

Excuse me, because we didn't have the sound system on, we're going to have to do this all over again. So... The regular Session of the 95th General Assembly will please come to order. Will all -- all the Members please be at their desk? Will our guests in the galleries please rise again? And the invocation today will be given by Colonel David {sic} (Daniel) Krumrei, from Parkway Christian Church, here in Springfield. Colonel. THE REVEREND DANIEL KRUMREI:

(Prayer by the Reverend Daniel Krumrei)

PRESIDING OFFICER: (SENATOR DeLEO)

Please remain standing for the Pledge of Allegiance. Senator Maloney, to lead, sir.

SENATOR MALONEY:

(Pledge of Allegiance, led by Senator Maloney)

PRESIDING OFFICER: (SENATOR DeLEO)

Good afternoon, Madam Secretary. Reading and Approval of the Journal, please.

SECRETARY SHIPLEY:

Senate Journal of August 13th, 2008.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you. Senator Hunter. Good afternoon, ma'am.

SENATOR HUNTER:

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

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you. Senator Hunter moves to approve the Journals just read by the Secretary. There being no objection, so

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ordered. Madam Secretary, Resolutions, please.

SECRETARY SHIPLEY:

Senate Resolution 828, offered by Senators Radogno and Watson and all Members.

Senate Resolution 829, offered by Senator Forby and all Members.

Senate Resolutions 830 through 832, offered by Senator Lauzen and all Members.

Senate Resolutions 833 and 834, offered by Senator Viverito and all Members.

Senate Resolution 835, offered by Senator Haine and all Members.

And Senate Resolution 836, offered by Senator Viverito and all Members.

They're all death resolutions, Mr. President.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you, Madam Secretary. Consent Calendar.

SECRETARY SHIPLEY:

And Senate Joint Resolution 107, offered by Senator Wilhelmi.

It is substantive.

PRESIDING OFFICER: (SENATOR DeLEO)

Madam Secretary, Introduction of Bills, please.

SECRETARY SHIPLEY:

Senate Bill 3057, offered by Senator Holmes.

(Secretary reads title of bill)

1st Reading of the bill.

PRESIDING OFFICER: (SENATOR DeLEO)

Madam Secretary, Messages, please.

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SECRETARY SHIPLEY:

I have 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 with the Senate in the passage of a bill of the following title, to wit:

Senate Bill 1987, together with the following amendments which are 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 1987, House Amendment No. 4 to Senate Bill 1987, and House Amendment No. 5 to Senate Bill 1987.

Passed the House, as amended, July 16th, 2008.

We've received like Messages on Senate Bill 1116, with House Amendments 1 and 2, and Senate Bill 1460, with House Amendment 2.

Passed the House, as amended, August 13th, 2008. 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 passed a bill of the following title, the veto of the Governor notwithstanding, in the passage of which I am instructed to ask the concurrence of the Senate, to wit:

House Bill 4189.

I am further instructed to deliver to you the objections of the Governor which are contained in the attached copy of his letter to the House of Representatives.

Passed the House, August 13th, 2008, by a three-fifths vote. Mark Mahoney, Clerk of the House.

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And a final Message from House by Mr. Mahoney, Clerk.

Mr. President - I am directed to inform the Senate that the House of Representatives has accepted the Governor's specific recommendations for change, which are attached, to a bill of the following title, in the adoption of which I am instructed to ask the concurrence of the Senate, to wit:

House Bill 4201.

I am further instructed to deliver to you the objections of the Governor which are contained in the attached copy of his letter to the House of Representatives.

Adopted by the House, August 13th, 2008.

We've received like Messages on House Bill 5285.

Adopted by the House, August 13th, 2008. Mark Mahoney, Clerk of the House.

PRESIDING OFFICER: (SENATOR DeLEO)

Okay, Ladies and Gentlemen, we have requests for permission to videotape or still photos of the Illinois State Senate. We have Channel 2 CBS, Mike Flannery, in Chicago; the Chicago Tribune; the State Journal-Register; WICS, here in Springfield; WAND-TV, here in Springfield {sic}, and WLS Television in Chicago - all seeking requests to videotape or still photos of the Session. Seeing no objection, leave is granted. And we have one further request. The AP also requests to take still photos of the Session. Hearing no objection, leave is granted. Okay, we have two more requests for leave of the Body to --permission to videotape or still photos. We got Charles Thomas of ABC Channel 7 in Chicago and WICS, here in Springfield. Seeing no objection, leave is granted. Okay, Ladies and Gentlemen, may I have your attention, please, for the purpose of

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announcement? I know everybody's excited. They just came back from summer break. We haven't seen each other in a week or so. So... First day of school, back to school. So... I'd ask -- for purpose of an announcement. The Rules Committee will meet immediately in the President's Anteroom. I'd ask all members of the Rules Committee to please report to the Anteroom immediately. We'd ask the Senate to just stand at ease for just a minute while the Rules Committee meets and we'll be going back to business immediately. So, all members of the Rules Committee, please report to the President's Anteroom. Thank you. Senator Dillard, are you seeking recognition, sir? For what purpose you seeking recognition?

SENATOR DILLARD:

Thank you, Mr. President. On a point of personal privilege, if I may.

PRESIDING OFFICER: (SENATOR DeLEO)

Could you give the gentleman your attention, please? Could you give the speaker your attention? Senator Dillard.

SENATOR DILLARD:

Thank you, Mr. President. Just to put things in perspective -- of life. Since we last left here last week, Senator Hultgren and myself, who represent the community of -- beautiful village of -- of the City of Naperville, lost not one, but two servicemen, back to back - one in Afghanistan and -- and one in Iraq. And before I ask that we put things in perspective and have a moment of silence for these two men, I want to say that Marine Lance Corporal Tony Mihalo was a graduate of Naperville North High School. He was a football player there. Was killed in duty since we left here in Afghanistan. The very

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next day, Captain James Hale, who went to Naperville Central High School, was killed in Baghdad. These men -- and -- and Captain Hale leaves three children behind. These were extraordinary people. Both were on their second or third tour of duty. In the case of Lance Corporal Mihalo, he was on his third tour of duty; had been injured on his first tour of duty, and was injured with shrapnel while telling his men to wait while he drug a man down the street, in July, were -- one of his fellow soldiers. So, on his third tour of duty; injured in the first two; he was tragically killed on his third tour of duty over there. And I just think, Mr. President and Ladies and Gentlemen -- you know, it's a -- it's a busy time here. historic time. But we just need to put things in perspective, and -- and Naperville has lost nine servicemen or women since the -- the conflict started in the Middle East and we lost two since we just left here just last week. So if I could, Mr. President and Members, just a moment of silence, not only for these two men and their families, but for all of us who have any loved ones, friends, and just a thank you to the people who serve us in the military every day.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you, Senator Dillard. For those two very heroic men that just recently lost their lives overseas, ask all Members please be at their desks, please rise and the -- our guests in the galleries please rise and will join us in a moment of silence for these very two heroic war heroes. (Moment of silence observed) Thank you very much, Senator Dillard.

(SENATE STANDS AT EASE/SENATE RECONVENES)

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PRESIDING OFFICER: (SENATOR DeLEO)

The Senate will come to order. We have another request for permission to videotape the proceedings. Erin Maloney of WCIA Channel 3, here in Springfield {sic}, seeking permission to videotape the proceedings. Seeing no objection, leave is granted. Madam Secretary, Committee Reports, please.

SECRETARY SHIPLEY:

Senator Hendon, Chairman of the Committee on Rules, reports the following Legislative Measures have been assigned: Be Approved for Consideration - a Motion to Accept Specific Recommendations for Change to House Bill 4201, a Motion to Accept Specific Recommendations for Change to House Bill 5285, and Senate Resolution 827.

Senator Rickey Hendon, Chairman. August 19th, 2008.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Link, for what purpose do you rise, sir? SENATOR LINK:

Thank you, Mr. President. I would ask for a Democratic Caucus in the President's Office immediately, for approximately thirty minutes.

PRESIDING OFFICER: (SENATOR DeLEO)

Okay, that request is always in order, sir. Okay, Ladies and Gentlemen, members of the Democratic Caucus will -- will caucus immediately in President Jones' Office to the hour of 3:30. Senator Risinger, for what purpose do you rise, sir? SENATOR RISINGER:

Thank you, Mr. President. The Republicans would like to caucus in Leader Watson's Office for thirty minutes.

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PRESIDING OFFICER: (SENATOR DeLEO)

Okay, that request also is always in order. Senator Risinger's requested that the Republicans will caucus in Leader Watson's Office, and we will return back to the Senate Floor at the hour of 3:30. Madam Secretary, have we received any motions to override the Governor's veto of legislation?

SECRETARY SHIPLEY:

Yes, Mr. President. The following motion has been filed with respect to the Governor's action on the following House bill for override of total veto: House Bill 4189, filed by Senator Maloney.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you, Madam Secretary. Let them be printed on the Calendar. Okay, Ladies and Gentlemen, you heard both requests from both caucuses. We will now join our respective caucuses and we will recess to the call of the Chair.

(SENATE STANDS IN RECESS/SENATE RECONVENES)

PRESIDENT JONES:

The Senate is reconvened. On Supplemental Calendar No. 1 is House Bill -- on the Order of Total Vetoes is House Bill -- is House Bill 4189. House Bill 4189. Senator Maloney, on House Bill 4189, do you wish to proceed?

SENATOR MALONEY:

Yes, Mr. President.

PRESIDENT JONES:

Madam Secretary, read the motion.

SECRETARY SHIPLEY:

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I move that House Bill 4189 do pass, notwithstanding the veto of the Governor.

Filed by Senator Edward Maloney.

PRESIDENT JONES:

Senator Maloney, to explain the motion.

SENATOR MALONEY:

Thank you, Mr. President. House Bill 4189 amends the State Officials and Employee {sic} (Employees) Ethics Act and it classifies community college districts as governmental entities -- local governmental entity and not State agencies. This bill passed last year but it was not recalled. It passed out of this Chamber 58 to 0 earlier this year, and it was overridden in the House. I know of no opposition and it -- the purpose of this bill is to simply clarify the responsibilities of community colleges concerning the Ethics Act. I'd be happy to answer any questions.

PRESIDENT JONES:

Senator Burzynski.

SENATOR BURZYNSKI:

Thank you -- thank you, Mr. President. I just rise in strong support of Senator Maloney's motion and urge an Aye vote. Thank you.

PRESIDENT JONES:

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

SENATOR MALONEY:

I would just ask for an Aye vote. Thank you.

PRESIDENT JONES:

The question is, shall the Senate pass House Bill 4189,

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notwithstanding the total veto of the Governor. All those in favor, vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 53 voting Aye, no Nays, 1 voting Present. Thirty-six or more votes are required. House Bill 4189, having received the required three-fifths majority, is declared passed, notwithstanding the veto of the Governor. On Supplemental Calendar, Amendatory Vetoes --Specific Recommendations for Change is House Bill 4201. Senator Rutherford, do you wish to proceed? Madam Secretary, read the motion.

SECRETARY SHIPLEY:

I move to accept the specific recommendations of the Governor as to House Bill 4201 in manner and form as follows:

Amendment to House Bill 4201

In Acceptance of Governor's Recommendations PRESIDENT JONES:

Thank you, Mr. President. The underlying bill provided for a tax increment finance district extension for the Village of Downs in my Senate district. The Governor has since amendatorily vetoed it to add language to increase the amount for disabled veterans homestead exemption to one million dollars for any veteran of service-connected disability that has been certified at least fifty-percent disabled by the United States Veterans -- by the Department of the United States Veterans Affairs. I would note that this would provide for tax-free property taxes for a home valued up to 4.1 million dollars if it

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was in Cook County and three million dollars if it was elsewhere. Our staff has estimated that the property tax shift would total approximately seventy-two million dollars' loss to local taxing bodies. And that also within this -- within this legislation, it provides for an exemption from the State Mandates Act, so the State of Illinois will not be responsible to reimburse those taxing bodies for that loss.

PRESIDENT JONES:

Senator Rutherford moves to accept the specific recommendations of the Governor to House Bill 4201. Is there any discussion? Is there any discussion? Senator Murphy.

SENATOR MURPHY:

To the -- to the motion, Mr. President. This is a... PRESIDENT JONES:

Proceed.

SENATOR MURPHY:

This is a substantive change. It's actually an unconstitutional rewrite of the bill and in all likelihood would be stricken down in court. Of course, we all took an oath to uphold the Constitution here, and for that reason, this is a -- a questionable maneuver. Additionally, though, you know, we've got a process here. This is a meaningful, significant proposal, the merits of which deserve to be considered. And when we -- when we have an issue like that, the normal course is to file a bill, send it through legislative committees, have it pass both houses or the Chambers - it's a pretty new concept - have it pass the Senate, have it pass the House, have it be heard in committees on both sides, give our constituents an opportunity to let us know what they think of the bill, give us an

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opportunity to ask our constituents what they think of the bill. Because, make no mistake, when we're reducing the property tax on the disabled veterans - again, a worthwhile suggestion - what we're also doing is raising the property tax on everybody else in the residential area in our taxing bodies in our districts. Before we vote to raise the people's property tax in our district, shouldn't we at least give 'em an opportunity to know we're about to do it and contact us about it? Nobody in the districts knows this about to happen. And that's not right. That's a big part of why this is unconstitutional. We have no opportunity to review this -- to review this proposal, have it vetted by our constituents and have a meaningful debate about it. We can't even go to committee to discuss it. This is not the proper way to do this. I am more than willing to go back to my constituents over the next six months, and if they tell me, I'm willing to have my property taxes raised 'cause I think it's worthwhile to pay the bill for the disabled veterans, I'll file the bill in February and we'll go about doing it the right way. But this isn't the right way. It's unconstitutional. sandbagging our constituents. And, frankly, it's putting us in a trick bag. I'm going to vote Present, because I -- I don't want to reject the concept. But the way this is being set up is wrong. And I would urge the rest of you to vote Present, leave this here, let's go back, talk to our constituents and find out what they want us to do with this issue, and do this the right way.

PRESIDENT JONES:

Senator Sullivan.

SENATOR SULLIVAN:

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I have a question of the sponsor.

PRESIDENT JONES:

He indicates he'll yield.

SENATOR SULLIVAN:

I know you're really not the sponsor, Senator Rutherford, because this is a different bill than what was sent over, but can you answer -- but perhaps you can answer a couple questions. Is this like a homestead exemption or a senior citizens exemption, that it's a partial reduction in the property taxes? PRESIDENT JONES:

Senator Rutherford.

SENATOR RUTHERFORD:

Senator -- Senator Sullivan, thank you. I am not a student of the Governor's amendatory veto. And, I will attempt to answer to the best of my ability, with the assistance of some others around me. It's my understanding that, yes, to the -- to your question, it is, up to the extent for the exemption up to one million dollars.

PRESIDENT JONES:

Senator Sullivan.

SENATOR SULLIVAN:

So, just so that I'm clear on that, does that mean if somebody -- if a disabled veteran who is fifty-percent or more disabled owns a home that is worth a million dollars or less, do they pay zero property taxes?

PRESIDENT JONES:

Senator Rutherford.

SENATOR RUTHERFORD:

Senator Sullivan, I think the question differently asked

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would be if the home was valued, at least in our part of the State, up to three million dollars, where the assessed value would be one million dollars -- in the -- in that case, or in the County of Cook if the home is valued at 4.1, and then of course the assessed value, that is correct; they would not pay any property taxes.

PRESIDENT JONES:

Senator Sullivan.

SENATOR SULLIVAN:

So, there is no income guidelines or any kind of criteria that's determined. And -- and I -- and I agree with the previous speaker. And -- and the other concern that I have with this bill -- I'm -- I'm all for helping those that need help, financial help. But to -- to -- you know, to help reduce their property taxes and their liability, I think that's a good thing. But this is a complete elimination of property taxes for somebody that could be living in, you know, a four-million-dollar home in some communities and certainly less than that in others. But, you know, it just seems like this -- this particular action -- we need to -- work on this bill further and -- and address it. And, you know, I -- this is a difficult situation. I'm not sure how I'm going to vote on it, as of yet. But, I certainly see serious problems with the bill.

PRESIDENT JONES:

Senator Dillard.

SENATOR DILLARD:

Thank you, Mr. President. My mother was the chief nurse at Hines Veterans Hospital for more than forty years. I can't ever remember me probably voting against any benefit for veterans.

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And earlier today, you were kind enough, Mr. President, to give us a moment of silence on two people from Naperville who were killed in the line of duty. But I also, in my life, have been a chief-of-staff for a Governor and a director of Legislative Affairs for another and know a little bit about the scope, legally, of an amendatory veto of the Governor. And while I'd love to help my buddy, Senator Rutherford, and the Village of Downs - and, yes, Senator Rutherford, I've been to Downs and would like to help 'em - I believe that under the Klinger versus Howlett Supreme Court decision - which is really the defining amendatory veto decision of the Supreme Court - that looking at Governor Blagojevich's changes here, the changes he makes clearly change the fundamental purpose of the bill and it amounts -- and is tantamount to substituting a new bill. So I'm going to vote Present on this bill. Like Senator Murphy pointed out, if the Governor wants to have this idea - and I think it's a laudable idea and my guess is I would be for it in spite of shifting tax burdens - he ought to introduce a new bill, roll up his sleeves just like all fifty-nine of us do, and pass a bill the right way, rather than doing something that is a backdoor unconstitutional amendatory veto. And, again, I'll be voting Present.

PRESIDENT JONES:

Senator Haine.

SENATOR HAINE:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. Speaking as a -- as someone who but, literally, for the grace of God would -- who might be living in a home as a veteran more than fifty-percent disabled, I add to those comments that

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have been negative toward the imposition of an amendatory veto in this manner. These are matters for an open discussion, according to the constitutional duties imposed upon Legislative Branch. This is the substitution of a bill. That is strictly prohibited by the Constitution to the Governor. And the reason for that is the process, as was stated previously, is open to all. We all have an input. Veterans groups have an input. School boards, who are responsible for tax rates, have City and municipal governments have an input. Taxpayers, who pay these rates and levies, have an input. property tax system now is a shambles of contradictions and inequities. And this further adds another complex component to It awards a massive exemption, irrespective of need. Granted, the argument is -- is a praiseworthy one. The argument is, this is for faithful service. I can buy that -- that argument and that should be taken up in the process. But I believe that we should adhere to the plain letter of the law. We should adhere to the Constitution, which has been the balance between these Chambers and between the Governor's Office. This is not intended as any criticism of the Governor, who's wellmeaning in this -- this regard. This is not a vote against the substance of the amendment. It is a vote in favor of the Constitution, which protects us all and protects our access to government.

PRESIDENT JONES:

Senator Syverson.

SENATOR SYVERSON:

Thank you, Mr. President. Just a few comments and maybe a question. I certainly can't say it as well as the others have

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said it, but I'm certainly concerned about the -- the magnitude of this bill and the fact that it does not have the income guidelines and because of the home size limit on it. Also my concern is with the service-related, fifty percent. And maybe the sponsor can help me with that, if he's -- if he's around - with what -- with a -- on who determines -- on who determines the fifty-percent, service-related disability.

PRESIDENT JONES:

Senator Rutherford.

SENATOR RUTHERFORD:

Thank you, Mr. President. Senator Syverson, again, I'm not a student of the Governor's amendatory veto. But it is my understanding that that is determined by the United States Department of Veterans Affairs.

PRESIDENT JONES:

Senator Syverson.

SENATOR SYVERSON:

And, again, you may not be able to answer this - does that mean that one of their -- one of their doctors have to sign off on it? Or, is it an individual's own doctor? And does that military doctor have a list of guidelines that -- to -- to get to how they define what fifty percent is?

PRESIDENT JONES:

Senator Rutherford.

SENATOR RUTHERFORD:

...Mr. President. Senator Syverson, I did speak with a disabled veteran about this and determined how their disability percentages was calculated. And it's done by a board within the United States Department of Veterans Affairs. And they are on a

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case-by-case basis. And there's a group of physicians that review this and then come up with those percentages. And that's, once again, done by the United States Department of Veterans Affairs.

PRESIDENT JONES:

Senator Syverson.

SENATOR SYVERSON:

Certainly if there was -- if we're talking about those who were combat injured or combat disabled, we -- would be a different story. But I guess the other question is, why service related for military and not service related for the State police or service related for firefighters or service related for the police? I don't know if the Senator was...

PRESIDENT JONES:

Senator Rutherford. Senator Syverson.

SENATOR SYVERSON:

Thank you, Mr. President. The question is, is do you know why the -- the Governor's chose service related for the military and not service related for the State police or service related for police or firefighters? And why just service related? And I guess the second question would be is, do you think this is going to open up a floodgate of I don't know how we can do it for service related for military and not do it for our State police or for our firefighters.

PRESIDENT JONES:

Senator Rutherford.

SENATOR RUTHERFORD:

Senator Syverson, I have no idea the Governor's logic on this. I have no idea why he didn't look at other service types.

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I have no idea why he chose fifty percent. I have no idea the reason behind the depth of this amendatory veto.

PRESIDENT JONES:

Senator Luechtefeld.

SENATOR LUECHTEFELD:

Thank you, Mr. President. You know, there are -- there have so many good arguments made to -- to certainly put this bill in jeopardy. You know, it's always hard to vote against a bill dealing with the veterans. But I think there have been some -- Senator Sullivan, for instance, on the -- the means testing, certainly the constitutionality, which a lot of people can make a better argument than I can on that. And then, of course, what about -- what about policemen who's injured or a firefighter who is injured? But one of the things, Senator, that -- that -- a question that I might have of you, it -- it -- it seems - certainly not fair - that if you are fifty percent or above, you get complete property tax relief from the home, but if you're forty-five percent, you get zero. And -- and that to me doesn't make a whole lot of sense. And I think that's another argument, obviously, against the bill. Thank you.

PRESIDENT JONES:

Senator Rutherford, to close. Senator Rutherford, to close.

SENATOR RUTHERFORD:

I'd like to take this out of the record for a moment, Mr. President.

PRESIDENT JONES:

Okay, the bill is out of the record. On Supplemental Calendar, we're at Specific Recommendations for Change, is House

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Bill 5285. House Bill 5285. Senator Kotowski, do you wish to proceed?

SENATOR KOTOWSKI:

Yes, sir.

PRESIDENT JONES:

Madam Secretary, read the motion.

SECRETARY SHIPLEY:

I move to accept the specific recommendations of the Governor as to House Bill 5285 in manner and form as follows:

Amendment to House Bill 5285

 $\label{thm:continuous} \mbox{In Acceptance of Governor's Recommendations} \\ \mbox{Filed by Senator Kotowski.}$

PRESIDENT JONES:

SENATOR KOTOWSKI:

Senator, explain the -- the motion in writing to accept specific recommendations to change. Senator Kotowski.

Thank you, Mr. President and Ladies and Gentlemen of the Senate. The recommendations contained within the Governor's recommendation require that a group health care insurance policy must provide health insurance coverage until the dependent's twenty-sixth birthday, provided that he or she is unmarried. The recommendation also provides that unmarried military personnel shall be covered as a dependent until the dependent's thirtieth birthday as long as she or he is an Illinois resident, served as a member of the active or reserve components of any of the branches of the Armed Forces and has received a release or discharge other than a dishonorable discharge. This is a bill that we've worked on for months, Mr. President and Ladies and Gentlemen of the Senate, and worked with groups - the United

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Power for Action, Public Action for Change. We had a great number of young people and military veterans who came down to Springfield to our State capitol to advocate for a very pressing need that families are feeling across the State of Illinois, and that is making sure that their young people, ages eighteen to twenty-six, are able to stay on their parents' health care This is a great opportunity to address a major, challenging issue for parents and families. One of the very important components of this bill is it also gives employers a chance to provide this coverage. And employers don't have to pay for it. Employers say to the employees that you pay for it; it comes out of your pocket. Now employers can also offer an opportunity where -- where they say, well, we'll cover a part of this cost. Some people may argue, in the course of this bill, the cold concept of adverse selection. And that's a valid point to bring up. But twenty percent of the people in the State of Illinois - twenty percent - comprise eighty percent of the health care costs - twenty percent. And these aren't our young people. These aren't our healthy people. These aren't the young people who aren't -- who don't receive health care coverage. Some other people maybe will talk about the fact that, you know, this doesn't address -- or this is basically -when it comes to pre-existing conditions, it allows somebody to get on a -- a health care plan. The bottom line is, what it does is, if somebody's been on a health care plan, it allows them to stay on a health care plan. And it also presupposes when somebody says that just because a young person is on a health care plan, doesn't mean they're sick. I mean, I have my young -- my young children. They're not sick. They're healthy.

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They're on our health care plans. We need to do whatever we can to live up to the promise of this legislation, and it's very, very important. And this -- this legislation also follows very, very clearly, HIPAA regulations in the State of Illinois. So it's an improvement. It's something we need to work towards. It's a -- it's a goal that I think is very important for working families in our State, especially when we're talking about the fact that people are spending so much money when it comes to health care, so much money when it comes to fuel costs. People are -- are having to leave their houses because of mortgages, because of skyrocketing property taxes. This is an opportunity that doesn't have a fiscal note to the State of Illinois to get health care for our young people and our veterans. We owe that much to them. I'd be more than happy to answer any questions.

PRESIDENT JONES:

Senator Kotowski moves to accept the specific recommendations of the Governor to House Bill 5285. Is there any discussion? Any discussion? Senator Righter.

SENATOR RIGHTER:

Thank you, Mr. President. Will the sponsor yield, please? PRESIDENT JONES:

He indicates he will.

SENATOR RIGHTER:

Thank you, Mr. President. Senator Kotowski, it's my understanding that this bill would allow for -- or mandate dependent coverage to twenty-five years of age unless you are a veteran, in which case it would be thirty years of age. Is that right?

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Senator Kotowski.

SENATOR KOTOWSKI:

Thank you for that question, Senator Righter. Yes, that's accurate.

PRESIDENT JONES:

Senator Righter.

SENATOR RIGHTER:

You also stated, Senator Kotowski, in your comments that an employer is going to be able to charge an employee the amount, the extra amount, that that dependent coverage will cost. Now, Senator Kotowski, I don't know if you're an expert in the insurance industry. I am not. How is the employer going to know how much that a specific dependent costs additional to the group policy that they're purchasing? Let me put it this way. Let me -- let me rephrase it. If an employer has forty employees, and this becomes law, and fifteen of 'em want to take advantage of this, how is he going to know how much employee one has added to the cost as opposed to employee two, three, four, five, and all fifteen? How is he going to get that number? Do you know?

PRESIDENT JONES:

Senator Kotowski.

SENATOR KOTOWSKI:

Thank you for your question, Senator Righter. At this point, I think we will find out over time the cost impact of this. I think the important point to remember here is that when it comes to health care insurance for this population, the average amount of health care costs that we're talking about - young people in this age group - is about two thousand dollars

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per year. Again, these are the healthy -- healthy amount of -- of young people in the population. They're getting access to coverage. And the impact on it - we believe according to the parameters that are set aside in the legislation - will be negligible.

PRESIDENT JONES:

Senator Righter.

SENATOR RIGHTER:

Senator Kotowski, I mean, you said a lot there, but I don't think of anything that was of use to the employers in my district. So let's take anther run at this. My employer, constituent employer, wants to know how he or she is going to find out how much each of these dependents who go on these policies is going to cost so he can do what you've told him he'll be able to do, which is to get reimbursement from the individual onto whose policy it's being added. So, where is he going to get that number?

PRESIDENT JONES:

Senator Kotowski.

SENATOR KOTOWSKI:

What you're looking for is the exact cost. That's your question, Senator?

PRESIDENT JONES:

Senator Righter.

SENATOR RIGHTER:

He asked me a question, so I'll answer it and then take another run at it. Senator, I want to know how the employer is going to find out what that cost is.

PRESIDENT JONES:

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Senator Kotowski.

SENATOR KOTOWSKI:

Again, thank you for your question, Senator Righter. I think the -- the place where the employer will be able to get that information is from the insurance company.

PRESIDENT JONES:

Senator Righter, bring your remarks to the close. SENATOR RIGHTER:

Well -- thank you, Mr. President. Senator Kotowski, do you know if these companies can calculate that? Because they count -- remember, insurance rates are calculated -- it's a risk-based calculation and they don't -- they don't tell an employer what their cost is by adding up each individual person who's being covered. It's a risk-based system, and typically in these insurance policies -- typically in these insurance policies, there's one rate if you have no dependents and then there is another rate if you have one through however many dependents you might have. So, there's a real question here whether or not the insurer is going to be able to provide that number. If the insurer can't provide the number, Senator Kotowski, can the employer just pick a number they think is close and charge the family with that?

PRESIDENT JONES:

Senator Kotowski.

SENATOR KOTOWSKI:

Senator Righter, just a couple of -- just a couple of points that have been issued from America's Health Insurance Plans, which is a -- which is a association for the industry, admits dependent expansion adds probably less than one percent

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to the cost of health policies overall. Also the Council for Affordable Health Insurance, an industry think tank, admits dependent expansion adds about one percent -- less than one percent to premiums. That's the -- the Council for Affordable Health Insurance. Again, I -- I get back to the point - and I appreciate your -- your line of questioning here - is that what we're talking about is the healthiest population here. We're talking about young people, and -- and I -- and I see that you're -- you're shaking your head, but I -- you know, we're -and I -- and I appreciate that. But, and -- and I won't take it personally, but the -- the fact remains is that what we're talking about here is a population - that's three hundred thousand young people - who are uninsured have an opportunity to get coverage. The industry has said that the impact will be minimal. This is an opportunity to families to -- to keep their children on their health care plans and make sure we do as good a job as possible of getting them the care that they need.

PRESIDENT JONES:

Senator Koehler. ...thought -- I thought you just did. I -- well, your question was a closing question. Well, the sponsor's the one that does the closing. Well, long as I'm here, I will extend that courtesy to you. I don't know about who will be here next. Senator Righter.

SENATOR RIGHTER:

Thank you, Mr. President. We think you have someone in mind, but we'll listen very carefully. Ladies and Gentlemen, this, like the last bill that we talked about, is a total rewrite of legislation. It should not be before us in this form. The Rules Committee did not do its job, with all due

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respect to the Chairman, by stopping this. Just like the Rules Committee in the House did not do its job by checking the Governor. We have a system of checks and balances here that says if the Governor, if he wants to be in the General Assembly, can run for the General Assembly. He's chosen not to do that. And so this bill should have been stopped at that door right Having said that, as it was not, let's be careful about how we react every time the Governor opens up his polling book and sees that his poll tells him that this is a good way to bring up his miserably low favorable rates. This is not a negligible or no impact on small employers. Let's not get caught up in the insurance industry, 'cause we all know - and if we don't know, we ought to know - the insurance industry will raise its premiums and stay in business. That's not who this is about. This is about the small employers that employ most of the people who work in your districts and mine. These employers are the ones who call you day in and day out. And if you're answering your phone, you know what they're saying. saying, we are drowning in health care costs and you -- if you vote for this, you are voting to raise those even more. So be careful about trying to send a message back home to your constituents who are small employers and your constituents who work for small employers and say, I care about you guys, and then vote for something to make it harder -- that makes it harder for them to stay in business. With all due respect to the sponsor's comments, you are not talking about the healthiest young people. And the reason you're not is because it's less expensive to buy a stand-alone policy for a twenty-three-yearold who is perfectly fit and healthy than it is to throw them in

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a pool with a bunch of forty- and fifty- and sixty-year-olds. That's just common sense. The price goes up when you put them in a larger pool. It's not going to be the healthiest, Ladies and Gentlemen, who want this coverage. It's going to be the sickest and that is what's going to drive the cost up for the employer. We should at least be honest and real about that. But in the end, Ladies and Gentlemen, the reason that these twenty-something-year-olds don't have coverage is because they've made the choice, themselves, as adults, old enough to drink alcohol, old enough to serve in the Armed Forces, certainly old enough to vote. And they've said, you know what? I don't want to buy insurance for myself. And this is not the answer to override the choice that they have made. Please vote No. Thank you, Mr. President.

PRESIDENT JONES:

Senator Hendon.

SENATOR HENDON:

Thank -- thank you, Mr. President. I wasn't going to speak to the bill, but I have to defend the -- the Rules Committee. The rules does not require this to go to committee. The -- my esteemed friend on the other side of the aisle made a motion. His motion failed. We gave him the opportunity to present his motion. His motion failed and now it is before us. So, I -- the Governor amendatory vetoed the -- my underlying bill, put Senator Kotowski's language on here. But the committee did its job.

PRESIDENT JONES:

Senator Dahl.

SENATOR DAHL:

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Thank you, Mr. President. Just couple questions of the sponsor.

PRESIDENT JONES:

He indicate he'll yield.

SENATOR DAHL:

Senator, the message up here says sick students. Is this only for students? Is this coverage -- do they have to be students?

PRESIDENT JONES:

Senator Kotowski.

SENATOR KOTOWSKI:

No, sir.

PRESIDENT JONES:

Senator Dahl.

SENATOR DAHL:

It could be any child, Senator? Okay.

PRESIDENT JONES:

Senator Kotowski. Senator Dahl, proceed.

SENATOR DAHL:

The -- the other question here is, it -- it says on the analysis here that for a veteran, age of thirty, has to be an Illinois resident. Is that correct?

PRESIDENT JONES:

Senator Kotowski.

SENATOR KOTOWSKI:

I believe -- I believe it is, sir. Thank...

PRESIDENT JONES:

Senator Dahl.

SENATOR DAHL:

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Senator, for the other so-called children - I don't -- I don't like to call twenty-six-year-olds children, but I guess that's what we're doing here - they don't have to be Illinois residents then, is that right?

PRESIDENT JONES:

Senator Kotowski.

SENATOR KOTOWSKI:

The -- the bill is silent on that issue.

PRESIDENT JONES:

Senator Dahl.

SENATOR DAHL:

So, Senator, just -- just as an example, a person could work for you and get -- get married to a person that has dependents in the State of Washington and could be one or two or three or four dependents in the State of Washington that you've never seen before, you've never met, you don't have any idea who they are, but they could be added to your insurance policy.

PRESIDENT JONES:

Senator Kotowski.

SENATOR KOTOWSKI:

Your question is that -- you're saying that young -- young people, age eighteen to twenty-six years -- twenty-six years of age, regardless of where they live, can be added to the parents' plan? Okay. You know, it -- it's -- it's my understanding that the dependent issue, you know, focuses through the Illinois Department of Insurance on -- on the issue of -- of -- of residency. And the issue -- it may be -- may be silent on this issue, but my understanding on the administration of the legislation is that it would be able to -- to focus on the

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individual residency of the dependents.

PRESIDENT JONES:

Will the Senator bring his remarks to a close? Senator Dahl.

SENATOR DAHL:

Thank you. To -- to the bill: The way -- the way I understand this, the -- the bill is -- is -- a -- a child doesn't need to live in the home with the parents. So -- so, therefore, it appears that that child could be any place, possibly, in the world, not even just in the United States, but any place and -- and be put on this insurance. I -- I think we've got a -- we've got a problem with that. And -- and the other part of it is that -- that our mindset here that this insurance is not going to force small businesses to eventually cancel their insurance - because the cost of this is -- is going to be astronomical - I think, is -- is a falsehood. The fact that companies that are self-insured are exempt from this issue, so we're right back down to small business, the very small business people at -- that are the ones that make this country go, make this country work - we're -- we're putting the burden on them. This is a bad bill. I encourage a No vote.

PRESIDENT JONES:

Senator Koehler.

SENATOR KOEHLER:

Thank you, Mr. President. Will the sponsor yield? PRESIDENT JONES:

He indicates he will.

SENATOR KOEHLER:

Senator Kotowski, are employers forced to incur the cost of

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this or can they, as employers, elect to have that cost picked up totally by the -- the family or the individuals involved?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski. Senator DeLeo in the Chair.

SENATOR KOTOWSKI:

Thank you, Mr. President. Senator Koehler, I'm glad you -- I'm glad you raised that question. It's a point that I -- I summarized in my initial remarks. Employers do not have to pick up the cost. The employee has to pay the cost.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Koehler.

SENATOR KOEHLER:

One other question and then I want to speak to the bill. Also, you mentioned about that there's some controversy about the adverse selection on this. Isn't there a minimum of ninety-day enrollment period, which insurance companies usually use to -- to sign up people once a year and then they -- and then it's closed? And, so, that really addresses the issue of adverse selection. But, isn't that a part of this?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

Yes, it is, Senator Koehler.

PRESIDING OFFICER: (SENATOR DeLEO)

Further discussion? Senator Koehler.

SENATOR KOEHLER:

...bill, Mr. President.

PRESIDING OFFICER: (SENATOR DeLEO)

To the bill.

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SENATOR KOEHLER:

I think this is a -- a good bill. This is something that we've discussed quite a bit in this past spring Session, because it was in committee and we've certainly heard the arguments and -- and studied this issue. As a parent who -- now have three daughters in their twenties and we went through a period of time in which our kids were in school - they weren't living at home at that point. And for parents, there's a lot of anxiety about not having your child covered. If you incur the cost yourself, that's a choice you make. You can go out on the private market and buy a private health insurance policy for your child. if this passes, you can elect then to have that added onto your own insurance, provided by your employer at your cost, which is one of the options on this. I think this is a good bill. And I think this helps give peace of mind to families that really have children who are, you know, old enough to be out of the home but may not have a job themselves. I urge an Aye vote on this.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you. Further discussion? Senator Lauzen, for what purpose you seek recognition, sir?

SENATOR LAUZEN:

Several questions for the sponsor, please.

PRESIDING OFFICER: (SENATOR DeLEO)

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

SENATOR LAUZEN:

Thank you, Mr. President. For the young -- the young adults who will be covered under this plan - I -- I just didn't get a clear idea from the answers to the -- one of the previous Senator's questions - there is no residency requirement for

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those people who are going to be covered. There's no residency requirement in Illinois, is there?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

Thank you for your question, Senator Lauzen. I -- I -- I believe your answer lies in the -- the definition that we have within the Illinois Insurance Code, that the coverage would be for young Illinoisans who are residents according to the definition within the Insurance Code.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Lauzen.

SENATOR LAUZEN:

So, Senator, are you saying that only -- only the -- the children - and I agree, again, with the previous speaker, the young adults - they can only be covered if they are residents in Illinois?

PRESIDING OFFICER: (SENATOR DeLEO)

I think that's been asked and answered twenty-seven times. SENATOR LAUZEN:

I -- I know. I...

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski, for the twenty-eighth time. Senator Kotowski.

SENATOR KOTOWSKI:

Thank you, Senator. I -- hopefully we clarify your previous questions. The same answer as provided before: This legislation will be following the Illinois Insurance Code as relates to that issue.

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PRESIDING OFFICER: (SENATOR DeLEO)

Senator Lauzen.

SENATOR LAUZEN:

The problem with that answer is that according to that Insurance Code that you're referring to, there is no residency requirement. So, I apologize to the President that we have to ask this question so many times. But if it were answered clearly within the Code that's being referred to, we'd get a straight answer and we could -- we wouldn't have to continue to ask the question. So, could you give us a clear indication then of what the underlying Code, in your opinion, states?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

Thank you, Senator Lauzen. I -- I think that the key component here -- to remember here is that -- and I know you want to focus on that particular issue and I believe that I've provided -- with an answer. But the issue here is the parents are required to pay for the coverage. Parents are required to pay for the coverage. The onus falls on the parents. So, you know, I -- I know you want to focus on that one particular issue, but there is the -- the -- the issue is that parents are the ones who are in charge of this, the ones who are paying for it. If they want -- if they want one of their dependents to get individual coverage, they can. But, parents pay for the coverage and the dependents are able to get it.

PRESIDING OFFICER: (SENATOR DeLEO)

Further discussion? Senator Lauzen.

SENATOR LAUZEN:

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Second question, is there a citizenship criterion for eligibility for this coverage?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

It is -- it is my understanding that the -- that the insurance coverage that is provided through the plan is for - the ones who are getting the coverage, the group insurance coverage - are for Illinois residents and their dependent children.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Lauzen.

SENATOR LAUZEN:

I do apologize to the President. I -- I don't mean to ask -- ask questions. The question was, is there a citizenship criterion that must be met by people who are going to be covered under this legislation? Is there an -- is there a citizenship requirement?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

Thank you. And -- and I'm -- and I'm fine with all your questions, Senator. So I appreciate that. The -- the -- it is my understanding that this legislation focuses on Illinois residents, according to the Illinois Insurance Code, and their dependents. Currently, according to the Insurance Code, I would imagine that we address the citizenship requirement according to insurance policies - those who are able to get these insurance policies. It's consistent with HIPAA regulations and everything

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out there. So, it's my understanding that would address the residency issue and the fact that they're people who live in the State of Illinois.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Lauzen.

SENATOR LAUZEN:

Thank you very much for your patience and your indulgence, Mr. President. Just one last question then and there's several more, but I -- I'm -- this is a very frustrating exercise. For small business employers...

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski, let's pay attention.

SENATOR LAUZEN:

For small business employers where there's maybe fifteen to twenty-five employees - because the large employers are -- who are self-insured, they're not going to be covered - you know, under ERISA, they're not going to be covered. But for the fifteen-to-twenty-five-employee employer, if the person who receives this coverage is not a legal dependent of that employee, that becomes imputed income under the IRS law, and I would like to ask you to describe to the Chamber how those businesses are going to comply with the law that they're going to have to pay income -- withhold income tax on that benefit. Unemployment compensation is going to need -- need to be paid on that. Tell me how people will comply, in practical purposes, with -- with the legislation that you're proposing.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

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Thank you, Senator Lauzen. The same way they currently comply when they provide health care insurance to those eighteen and younger - the same way they comply. I imagine they're currently following the law as it relates to that. I mean, if you have -- the way policies currently exist, if you have someone who has a health care plan -- there are some policies, as you know, Senator, that do provide dependent coverage, group dependent coverage, to the age of twenty-five. I imagine they're going to follow the same practice that they currently follow in those individual policy examples.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Lauzen.

SENATOR LAUZEN:

Respectfully, Senator, the problem with this bill is that you've moved it beyond the age of typical dependents. You're right as far as it takes the old policy - a dependent. But I asked where they're not a legal dependent, it becomes additional compensation. So, as a dependent, you don't have to worry about the tax implications. But because of the age, because of the expansion of the coverage, you're going to have people who are not legal dependents. You referred to dependents, but some of the people who will be covered will not be dependents; therefore, there'll be tax. So it is not the same kind of compliance with the IRS Code.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you, Senator. Further discussion? Senator -- Syverson, for what purpose you seek recognition, sir? SENATOR SYVERSON:

Thank you, Mr. President. Some questions of the sponsor.

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PRESIDING OFFICER: (SENATOR DeLEO)

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

SENATOR SYVERSON:

Senator, I appreciate your -- your interest in this issue and I know how passionately you feel about this and -- just a few questions, and maybe following up on a couple things that were mentioned. Number one, you don't have to be -- under this legislation, you don't have to be a tax dependent and you don't have to be claimed on your return to qualify as a -- to be covered under the parent's plan under this legislation. Is that -- is that correct?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

Yes, Senator, that's correct.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Syverson, for further discussion.

SENATOR SYVERSON:

Think that goes to what Senator Lauzen said: If you're not a tax dependent, then you are giving something to somebody who is not a dependent and that's why that -- there will be a tax consequence. The employer has to tax the employee for that benefit. And so I think that's what they're talking about. So, there is a difference. If they're a dependent, then the employer is allowed to -- to -- to do that. You'd mentioned that this is for healthy individuals. Would you agree that the cost for an individual policy for a healthy twenty-three-year-old is going to be significantly less than going under a employer's health plan?

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PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski. Senator Kotowski.

SENATOR KOTOWSKI:

Would I agree that the cost is going to be significantly more?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Syverson.

SENATOR SYVERSON:

Yes. The question is an individual health policy for a twenty-three-year-old healthy individual versus the cost of going on as a dependent under a large -- under a group health plan? If they're healthy, is that individual policy less expensive than what that group plan is?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

Actually, that's the -- the -- the true reason behind this. We've had nineteen other states that have done this - nineteen other states. And the impact on that has not been what everybody's been portraying it out to be. The impact is the fact that we've had young people being able to be a part of group plans. If parents want to keep them on individual plans and they can get it for less cost, that's their decision. But in these other states that have done it, where they've achieved this goal, they've been able to keep costs down and get young people health care. And I understand you -- you raise a point I said, you know, only healthy. You know, I -- the point that I raised is that in this population in -- in -- in our country, the three hundred thousand uninsured adults, the bulk of the

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young people we're talking about are a healthy population. Of course, you're going to be able to find young people who may not fit into that category. But the bottom line is, in other states where they've employed this, they've been able to keep costs down, there hasn't been a dramatic impact on the group insurance plans, and parents will be able to get health care for their -- for their dependents.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Syverson.

SENATOR SYVERSON:

One of the questions -- one of the comments -- one of the comments you made were parents were required to pay for this coverage. But that's not -- that's not true. If it's -- the employer is covering a portion of the cost for dependents, it's the same -- they can't discriminate -- this law doesn't allow them to discriminate and say, because you're adding a twenty-five-year-old, we can charge you separately. So if the employer is covering half the cost of dependents, for example, and someone brings their twenty-eight-year-old or -- or their twenty-six-year-old back onto the plan, the employer still has to pay half of that cost as well. He can't charge the employee individually for that rate, if he's covering other dependents for his company in one -- in one fashion. Is that...

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

Senator Syverson, I'm -- I'm glad you brought that up. I - and -- and you -- and you point out something that's very important. Every company has a distinct and unique practice.

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Every company in the -- in our State, you know, provides services and benefits for their employees, which -- which range. Basically what this does is -- is it -- it creates consistency in the availability of the coverage. If a -- if a company wants to continue to provide this coverage and -- and they say to an employee you're covering -- that we'll cover half the cost, they'll continue to do it. I think a -- a little point here that hasn't been completely explored is the fact that businesses have an opportunity here. This is a great opportunity for businesses - the small businesses, the lifeblood of our economy in the State of Illinois - where they can say to employees, now, through group coverage, we can provide coverage for you and your dependents. And it's a wonderful opportunity for these businesses.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Syverson.

SENATOR SYVERSON:

Well, I think employers already do that and the concern is whether or not this raises the cost. And -- and the reality is, under this, what is going to happen is the cost will go up. If -- if they're young and they're healthy, they could have bought another policy. Most likely what's going to happen is these are going to be people that are older, that are out on their own, they've gotten sick and now they want to come back on to their parent's plan which they are allowed to do, which is going to cost the small employer. You talk about consistency; the problem is that it's not going to be consistent because, as you know, the majority employers, the large employers, are all going to be excluded from this. Most large government is excluded

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from this plan, so it won't be consistent. It's only going to hit the -- it's only going to hit the small employer. me just wrap it up with this. There are number of plans in place for a child. If a child is disabled, they can stay on that parent's plan, currently, forever. If a -- if a child leaves the health plan because they're going to school or they're only going part time, they're allowed under Illinois law to continue their coverage for two years, even though they're not working. If they get sick, they have the option of going on CHIP plan and if they're healthy, they have the option of purchasing individual coverage. So, there isn't an area where a child doesn't have the availability, currently, of having coverage in Illinois. The only concern now is who is going to pay for that. And if we put it on the backs of small employers, the problem is going to be it's going to drive up the cost. We know that more employers canceled their health insurance because of costs last year than any year in history. This is not going to lower the cost. This is only going to raise the cost. I'm concerned that what you're trying to do in helping young people is going to end up having a backwards effect, that it's going to raise the cost up and more employers are going to have to cancel their coverage, hurting the very same people that we're talking about helping. So, I -- I hope we'd reconsider this. And maybe the courts will throw this portion out. We can come back and -- and address some of the real problems. But, again, I -- I appreciate your passion on this. I just think it's misguided and the -- and the concern is going to be the cost to the small employers. Thank you. Thank you, President.

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PRESIDING OFFICER: (SENATOR DeLEO)

Thank you, Senator Syverson. Further discussion? Senator Pankau, for what purposes are you seeking recognition, ma'am? SENATOR PANKAU:

Thank you, Mr. President. An inquiry of the Chair. To accept this amendatory veto, does it require thirty or thirty-six votes? And is there an -- an immediate effective date?

PRESIDING OFFICER: (SENATOR DeLEO)

Because we are accepting the amendatory veto, it requires thirty votes, and the effective date has since passed. It's -- was already in the bill, so it hasn't changed. Senator Pankau. SENATOR PANKAU:

Okay, so when does it become -- if it passes, when would it become effective?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

Thank you, Mr. President. I believe the effective date says, none, next to it. None. 1-1-09.

PRESIDING OFFICER: (SENATOR DeLEO)

I -- I don't know if you heard the sponsor's answer. In the -- as -- this piece of legislation, the actual effective date, because it was never changed, would be 1-1-09, like many pieces of -- of other legislation. ...you, Senator. Anything further? Our last person seeking recognition is my dear friend and colleague, Senator Haine. For what purpose you seek recognition, sir?

SENATOR HAINE:

Will the sponsor yield for a few questions? Just a few,

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just a few kindly questions.

PRESIDING OFFICER: (SENATOR DeLEO)

Sponsor indicates he'll -- he'll be glad to answer a few questions from you, sir.

SENATOR HAINE:

Thank you. Senator Kotowski, would you explain briefly House Bill 5285, as passed both Chambers? What does that bill do?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

Thank you for your question, Senator Haine. House Bill 5285 requires a continuation of coverage for a dependent college student who takes a medical leave of absence or reduces his or her course load for part-time status because of an illness or injury.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Haine.

SENATOR HAINE:

Thank you, Mr. President. So, in -- in -- in other words, this bill, sponsored by the distinguished Chairman of the Rules Committee and Representative Jefferson of the House, required a continuation of coverage for a dependent college student who took a medical leave of absence or reduces his or her course load and allows them to continue in that -- in that group plan.

Isn't that correct?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

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Yes.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Haine.

SENATOR HAINE:

If -- if you would, Senator, can you explain the difference between the amendatory veto and House Bill 5285 - just some of the major points?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

Senator Haine, with all due respect, and especially in -in respect to the -- the -- the time of the people here, I
believe I've already explained this legislation quite in full.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Haine. Is -- do you have a specific...

SENATOR HAINE:

Thank you. So...

PRESIDING OFFICER: (SENATOR DeLEO)

Do you have a question, sir?

SENATOR HAINE:

Yes -- yes, sir. So, my -- my question really - and I appreciate you cutting to the quick, or to the chase, one or the other, maybe both - is that your bill -- is it fair to say that -- that the amendatory veto is a major expansion and a substantial change in the substance of House Bill 5285? Is that fair to say?

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

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I -- I would say that it is an improvement upon the legislation to make sure that we're able to provide quality, affordable health care to young people in our State, as well as out veterans.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Haine.

SENATOR HAINE:

That's another way of stating the same thing. Now, you have referred in the past, and other Members of this distinguished Body have referred in the past, to what we're discussing here today as a bill. And technically this is not a bill. Isn't that correct? This amendatory veto is not a bill.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski.

SENATOR KOTOWSKI:

I believe you are correct in pointing that out.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Haine.

SENATOR HAINE:

A -- a bill, if I may say -- say so, is something which is introduced - for example, by Senator Hendon - and goes to a committee, is fully vetted - as was the bill that you introduced, Senator Kotowski - and still remains on -- extant. It -- it still remains in this Body to be discussed. And, then, if it gets a majority of votes in committee and on the Floor, it moves to the other Chamber, vice versa, and the Governor accepts it or not. This is an amendatory veto, which did not go through that procedure, and it is not a bill. All these arguments -- to conclude, Mr. President. To -- to the bill: All these

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arguments are interesting and they're exchanges of views as to the effect on small employers, the effect on small units of government, such as school boards, who've expressed their opposition to this too, because of the cost. All of these arguments are weighty. And the -- the Governor has been part of this great debate on how we obtain health care for our -- our citizens, how to make it affordable. Senator Kotowski, to his great credit, he had -- his first bill dealt with health care and a mandate for mammograms, which came through my committee, passed the General Assembly, was signed into law by the Governor with great applause. He is a champion of that issue. But this amendatory veto didn't bother with the constitutional necessity to have it vetted openly. All these issues of how many people it's going to cover and the cost are to be debated in committee and ameliorated some way, debated on the Floor, and then taken up by the Governor in his careful analysis of whether it meets the common good or not. That's the problem I have with the -the amendatory veto. Thank you.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Kotowski, to close.

SENATOR KOTOWSKI:

Thank you, Mr. President. Thank you, Ladies and Gentlemen of the Senate. Thank you, my esteemed colleagues and everyone who had questions and suggestions. I greatly appreciate that and greatly respect you. Harry S. Truman said it best: It's the role of government to help the human family achieve the decent, satisfying life that is the right of all people. It's a beautiful quote, beautiful words, and this is a great opportunity to do just that. Here's a piece of legislation that

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passed bipartisanly out of the Illinois House. Here's a piece of legislation that had a great deal of support. Here is an opportunity. I know we talked before about veterans and polling and -- and doing something just because it's politically right. Well, this is right because it's good public policy. right because we're going to help our veterans get the support and health care they need. Our veterans who come back and they're losing their health care insurance have an opportunity to get health care insurance. This is an opportunity to honor and serve them the way they've honored and served our country. We owe it to them. We owe it to our young people in the State of Illinois to provide 'em with health care. We owe it to families who are paying so much money for every single related cost, whether it be fuel costs or health care or college tuition. We owe it to our young people. We owe it to our families to do the right thing. Vote Yes and support this amendatory veto. Thank you.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you, Senator. Okay, Ladies and Gentlemen, the question is, shall the Senate accept the specific recommendation of the Governor to House Bill 5285 in the manner and the form just stated by Senator Kotowski. 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 35 Ayes, 17 Nays, 1 voting Present. And the Senate does -- having received -- the specific recommendations of the Governor to House Bill 5285, having received the constitutional majority vote by Senators elected and -- declared accepted.

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Okay, continuing on Supplemental Calendar 1, we will return back to House Bill -- we will return back to House Bill 4201. Senator Rutherford. Senator Rutherford. We'll go back to Calendar 1 in Order of Motions in Writing to Accept Specific Recommendations for a Change. Senator Rutherford, on House Bill 4201. You wish to proceed? He indicates he wishes to proceed. Madam Secretary, please read the gentleman's motion. SECRETARY SHIPLEY:

I move to accept the specific recommendations of the Governor as to House Bill 4201 in manner and form as follows:

Amendment to House Bill 4201

In Acceptance of the Governor's Recommendations Filed by Senator Rutherford.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you, Madam Secretary. Senator Rutherford, to your motion, sir.

SENATOR RUTHERFORD:

Mr. President, thank you for taking the bill out of the record -- or the motion out of the record for a moment, 'cause I did want to study a little bit further. There were a number of questions that were asked to me by colleagues on the Floor and I told them in full disclosure that this was not my initiative on the amendatory veto and I just wanted to make sure that I was giving them correct answers. Unlike Senator Kotowski, whose previous bill was an effort on his specific behalf, this one was not for me. I have verified the fact that, yes, if this were to become law, that a home in the County of Cook valued up to 4.1 million dollars would be exempt from property taxes for a -- a veteran of fifty-percent disability. And I had verified that,

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yes, a property home value of three million dollars throughout the State of Illinois would be exempt from property taxes if it were to be received by a veteran of fifty-percent disability. And since this time we took it out of the record, I have also, yes, verified that it will cost taxpayers thirty-two -- or taxing bodies seventy-two million dollars in lost revenue that will be - and, yes, I have verified - it will be shifted to somebody else. And, yes, I have verified that there is a State Mandates Act preclusion in this and State government will not be responsible to pay to our school districts, our proper communities, library districts or park districts. This will be an absolute burden placed upon others. Now, I happen to believe strongly in supporting our veterans and so I listened when the Governor did his amendatory veto. I got minimal calls. One phone call was, "I am a disabled veteran of fifty percent and I want you to support this". I told that veteran, "You know, I'm going to call this bill. I believe it is right and appropriate to allow an up or down vote." I got another phone call from a disabled veteran who said, "I'm not fifty percent, I'm fortyfive percent, as determined by the United States Department of Veterans Affairs". He said, "Senator, can you change it to be forty-five percent?" And I said, "Well, with all respect, sir, I'm not the one that decided fifty. I'm not sure why it's fifty and not forty-five." A box we're in, colleagues. And then I got three phone calls - so this is the grand total - I got three phone calls from elderly people, senior citizens, who said, you know, "Why? I respect our veterans, but now I'm going to probably have to pick up part of this. What are you going to do for me?" And I said, "Ma'am," - and "Gentlemen" - "I'm sorry,

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this is not my amendatory veto." Senator Haine, I wouldn't mind if you rose and asked me the same questions you asked Senator Kotowski with regards to the potential of this being a major, major change to an underlying piece of legislation, because my answers to you, Senator Haine, is absolutely. There is no question, in my mind, this amendatory veto goes beyond the scope and the constitutional authority of the Governor to do what he did to this bill. We should have a public hearing. We should have debate. We should have the opportunity for our veterans and other senior citizens that are -- have an overburden on property taxes, the opportunity to influence public policy and not wait for it to come before the Senate Floor as it has today. I'm calling this intentionally, so we can have an up or down. My assumption is, if this bill passes -- this amendatory passes, it's going to wind up in court and we're going to have litigation. I'm not sure our veterans are going to be better off for it. And you know what? That little Village of Downs unto which this TIF bill was written for and will use -- was supported unanimously by all the taxing districts within there are not going to have the benefit of their TIF at this time. I know it may seem a little strange, but I'm going to be voting No on my own motion, because I don't think it's the right thing to do for all the reasons I delineated to you earlier - but in order to be fair to the process and perhaps even a little bit to help let it get to the point of litigation so we can resolve this perhaps for the conclusive time as to whether the Governor has that type of authority. So, Mr. President, for those that had suggested or thought that my explanation of the bill and answers to questions was an embrace of the support of the

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amendatory veto, make it very -- perfectly clear, it is not.

And I intend to stand here, present it to you with a red vote.

PRESIDING OFFICER: (SENATOR DeLEO)

Okay, since we're on the Orders {sic} of Motion in Writing to Accept Specific Recommendations for Change, is there any discussion? Senator Hendon, are you seeking recognition on this motion, sir?

SENATOR HENDON:

Yes, very briefly. I understand what Senator Rutherford had to say, but, you know, veterans do so much for us. I mean, we're in war right now - Iraq, Afghanistan, probably Georgia, maybe Russia. You know, God only knows. So, if a veteran has sacrificed for this country, look past who put this forward. you don't like the Governor, fine, but this is for the veterans. I had veterans at my office last night. They -- they want this. This is for veterans who have been wounded, who are -- are -have been hurt defending this country, and I think that this is the right thing to do. Yes, someone else will have to pick up any shortfalls in the property tax collection, but veterans deserve a break. They've made the ultimate sacrifice, and I'm going to vote in opposition to the sponsor and urge all Members who understand the sacrifice that veterans make. It's not their fault that, you know, some folks don't like the Governor. We should vote for the veterans today and vote Aye.

PRESIDING OFFICER: (SENATOR DeLEO)

Thank you. Seeing no further discussion... Seeing no further discussion, Senator Rutherford, to close, sir. SENATOR RUTHERFORD:

Thank you -- thank you, Mr. President. I thought I did

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close, but with the -- the last comment that was brought up, that is inappropriate. I totally agree that the veterans deserve the honor and accolades that they deserve in this country. But you know what? Maybe the veteran that was harmed by forty-five percent deserves just as much. And you know what? Maybe the first responder, the fireman that got killed in -- in my county deserves and his family deserves just as much. Perhaps the State troopers that go out there and put themselves on the front line and those that bust the bad quys in the City of Chicago - and you read about in the newspaper all the time that are getting shot, maybe they deserve it too. The problem we have here is that we're not dealing with it in a public forum, in a debate before a committee with witnesses, testimony, analysis, and actually making a good public policy decision. We're in a political debate here. I understand this is because of veterans and this and that. But we're not doing this as a good public policy process. Think about it. If this was an independent bill, freestanding from the underlying legislation, and it came through the debate and it came through committee and you put that bill out there separate and apart, would you be voting Yes or No? This doesn't even take into consideration the excellent presentation of Senator Haine with regards to the potential constitutionality. So, with all respect to the previous speaker, please don't do that to me. I brought it forward intentionally. I am letting you have the chance to say whether you believe it should be here or not. I think it is wrong. I think we're going about it the wrong way. I intend to vote No. Now you have the chance to make yourself known right up there.

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PRESIDING OFFICER: (SENATOR DeLEO)

Thank you, Senator. Okay, Ladies and Gentlemen, the question is, shall the Senate accept specific recommendations of -- of the Governor as to House Bill 4201 in the manner and form just stated by Senator Rutherford. All those in favor will vote Aye. All 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 27 Ayes, 11 Nays, 15 Present. And the motion fails. Okay, Ladies and Gentlemen, continuing on Supplemental Calendar No. 1, on the page 1 of the Calendar is the Order of Secretary's Desk, Resolutions. Senator Hunter, do you wish your resolution considered, ma'am? She indicates she does. Madam Secretary, please read the lady's resolution.

SECRETARY SHIPLEY:

Senate Resolution 827, offered by Senator Hunter.

No committee or Floor amendments reported.

PRESIDING OFFICER: (SENATOR DeLEO)

Senator Hunter, to explain the resolution, ma'am. SENATOR HUNTER:

Thank you, Mr. President and Ladies and Gentlemen of the Senate. Senate Resolution 827 basically recognizes the Springfield Race Riots of 1908, which was a catalyst for the formation of the NAACP, which is the National Association for the Advancement of Colored People. And it denotes that from the aftermath of the riots comes insight and education that will help us to better deal with racial issues. I've been working for the past two years with the Springfield NAACP Chapter. This year makes the 100th Anniversary of the Springfield riots and I

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basically ask for your favorable vote.

PRESIDING OFFICER: (SENATOR DeLEO)

Okay. Thank you. Okay, Ladies and Gentlemen, Senator Hunter moves the adoption of Resolution -- Senate Resolution 827. All those in favor will say Aye. All those opposed will say -- Nay. And the Ayes have it, and the resolution is -- is adopted. Madam Secretary, Resolutions, please.

SECRETARY SHIPLEY:

Senate Resolutions 837 and 838, offered by Senator Demuzio and all Members.

They're both death resolutions, Mr. President.

PRESIDING OFFICER: (SENATOR DeLEO)

Madam Secretary, Consent Calendar. Okay, we will now proceed to the Order of Resolutions Consent Calendar. With leave of the Body, all those resolutions read in today will be added to the Consent Calendar. Madam Secretary, has there been any objections filed to any resolution on -- on the Consent Calendar for today?

SECRETARY SHIPLEY:

No objections filed, Mr. President.

PRESIDING OFFICER: (SENATOR DeLEO)

Okay, also seeing there's no discussion, the question is, shall the resolutions on the Consent Calendar be adopted. All those in favor will say Aye. All those opposed will say Nay. The Ayes have it, and the motion carries. And the resolutions are adopted. Ladies and Gentlemen, there'll be no further business to come before the Senate. The Senate stands adjourned until such time as the Senate assembles in regular, Veto or other Session, pursuant to the schedule established and

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published by the Senate President and in accordance with Senate Joint Resolution 105, as adopted on May 31st, the year 2008. Ladies and Gentlemen, the Senate stands adjourned.