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PRESIDING OFFICER: (SENATOR SULLIVAN)

The regular Session of the 98th General Assembly will come to order. Will all the Members please be at their desks? Will our guests in the galleries please rise? The invocation today will be given by Pastor Jeremy Wood, First Congregational Church, Bunker Hill, Illinois. Pastor Wood.

PASTOR JEREMY WOOD:

(Prayer by Pastor Jeremy Wood)

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Please remain standing for the Pledge of Allegiance. Senator Jacobs, to lead us in the Pledge.

SENATOR JACOBS:

(Pledge of Allegiance, led by Senator Jacobs)

PRESIDING OFFICER: (SENATOR SULLIVAN)

Mr. Secretary, Reading and Approval of the Journal.

SECRETARY ANDERSON:

Senate Journal of Tuesday, March 19th, 2013.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hunter.

SENATOR HUNTER:

Mr. President, I move to postpone the reading and approval of the Journal just read by the Secretary, pending arrival of the printed transcript.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Senator Hunter moves to postpone the reading and approval of the Journal, pending arrival of the printed transcripts. There being no objection, so ordered. Mr. Secretary, Resolutions.

SECRETARY ANDERSON:

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Senate Resolution 170, offered by Senator Oberweis and all Members.

And Senate Resolution 171, offered by Senator Oberweis and all Members.

They are both death resolutions, Mr. President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senate Resolutions Calendar. Mr. Secretary, Committee Reports.

SECRETARY ANDERSON:

Senator Jones, Chairperson of the Committee on Local Government, reports Senate Bill 1244 Do Pass; Senate Bills 1474, 1681, 1691 and 1869 Do Pass, as Amended; Senate Amendment 2 to Senate Bill 492, Senate Amendment 1 to Senate Bill 1409 and Senate Amendment 1 to Senate Bill 1908 Recommend Do Adopt; and House Bills 956, 1020 and 1353 Do Pass.

Senator Collins, Chairperson of the Committee on Financial Institutions, reports Senate Bill 1667 Do Pass; Senate Bill 1829 Do Pass, as Amended; and House Bill 183 Do Pass.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Silverstein, for what purpose do you rise? SENATOR SILVERSTEIN:

Two reasons: To say hello and a point of -- for an announcement.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Good -- good afternoon, Senator Silverstein. Please state your announcement.

SENATOR SILVERSTEIN:

The Senate Democrats will caucus in the President's Office for about an hour after you recess.

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PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Althoff, for what purpose do you rise?

SENATOR ALTHOFF:

To wish you a very happy good afternoon, Mr. President. I, too, would like to announce that the Republicans would like to caucus for about an hour in Room 400 immediately upon recess.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Senator Righter, for what purpose do you rise? SENATOR RIGHTER:

On a moment of personal privilege, if I might, Mr. President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Please state your point of personal privilege, Senator Righter.

SENATOR RIGHTER:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. I would like to introduce to the Senate two young men from my district that are here with me today, and that is Josiah and Reed Pringle. They're from Marshall, Illinois. Reed is a senior at Marshall High School. Josiah is an eighth grader. If you'd give them a warm Senate welcome, I'd sure appreciate that. Thank you, Mr. President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Let's welcome Senator Righter's guests to the Senate. Great to have you here today. Senator Radogno, for what purpose do you rise?

SENATOR RADOGNO:

Personal privilege.

PRESIDING OFFICER: (SENATOR SULLIVAN)

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Please state your point, Leader Radogno.

SENATOR RADOGNO:

I would also like to introduce my Page for today, Sarah Abdeljalil. She is a resident of Homer Glen and attends the Aqsa School in Bridgeview, which used to be in my district. So she's a sophomore there. Thank you.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Let's welcome Senator Radogno's guest to the Senate. Great to have you here today, Sarah. Senator LaHood, for what purpose do you rise?

SENATOR LaHOOD:

Thank you, Mr. President. Point of personal privilege.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Please state your point, Senator LaHood.

SENATOR LaHOOD:

Thank you, Mr. President. I'm joined today by Derek Cantu as my Page for the Day. He attends Bradley University and plans to attend law school. He lives in Elmwood, Illinois, and hopes to pursue a -- a career in corporate law, and he enjoys politics and government. He is the son of Dean and Sandy Cantu. And I would like to give a warm Springfield welcome to Derek. Thank you.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Welcome to the Illinois State Senate. Great to have you here today. Senator Tom Cullerton, for what purpose do you rise?

SENATOR T. CULLERTON:

A point of personal privilege.

PRESIDING OFFICER: (SENATOR SULLIVAN)

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Please state your point, Senator Cullerton. SENATOR T. CULLERTON:

Thank you, Mr. President. Just wanted to mention, in the gallery today, we have the Teamsters of the Locomotive Engineers and Trainmen. They obviously are everybody who moves our people around this great State of ours. And they're in town today celebrating their hundred and fifty-year anniversary. So, if I could have a point of personal privilege, they're up there in the gallery. Thank you, gentlemen, for moving us around this great State.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Welcome to the Illinois State Senate. Great to have you here today. Thank you. Thank you, Senator Cullerton. Senator Brady, for what purpose do you rise?

SENATOR BRADY:

Point of personal privilege, Mr. President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Please state your point, Senator Brady.

SENATOR BRADY:

I'd like to introduce two people in the gallery, John Ackerman and Frank Lagouros, who are here in support of Senate Bill {sic} 70, something that would grant -- a resolution asking for support of the Orthodox Church. If you'd please recognize them.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Welcome to the Illinois State Senate. Will our guests please rise? Great to have you here today. Ladies and Gentlemen, Senator Silverstein and Althoff move that the Senate recess for the purposes of Senate Democrat and Republican

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Caucuses lasting one hour. Seeing no objection, the motion is granted. The Senate now stands in recess to the call of the Chair. After the Senate Democrat and Republican Caucuses, the Senate will reconvene for the purpose of Floor action. The Senate stands in recess to the call of the Chair.

(SENATE STANDS IN RECESS/SENATE RECONVENES)

PRESIDING OFFICER: (SENATOR SULLIVAN)

The Senate will come to order. Senator Haine in the Chair. SENATOR HAINE:

Ladies and Gentlemen of the Senate, I'd like to take a few moments out of this tension-filled Session to take a break and remind you all that the -- that we are engaged in the people's work, but the future of our society, part of the future, is standing right up here. I'm proud to introduce to you the State of Illinois 1A High School Championship Soccer Team from Marquette Catholic High School in Alton, my hometown. In fact, I graduated there myself in 1962. And that's when Elvis was actually still alive, if you remember that. This team is made up of boys that come to play. They play fairly. They play aggressively. They exemplify all that's good in the American athletic history. And I just want the coach to come up and say a few words and describe this year, in brief terms if he can, this year's soccer season and the challenges these young men faced. Coach.

COACH JEREMY SANFILIPPO:

(Remarks by Coach Jeremy Sanfilippo)

SENATOR HAINE:

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Thank you very much. Ladies and Gentlemen of the Senate, on behalf of the Marquette High School Championship Soccer Team, I would be remiss and -- and I would be derelict in my duties if I didn't tell you that this high school's named after a Jesuit, Father Marquette, Jacques Marquette, who came down the -- the Illinois River in 1672 and mapped it. He wanted to set up Indian missions that were independent, and he was actually -- he died in Michigan. A -- a learned and brave and courageous priest. And so that's a great history to follow. It's a history partly of the State of Illinois. Thank you, again, Ladies and Gentlemen of the Senate.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Ladies and Gentlemen, Senators Luechtefeld and McCarter also would like to introduce some -- some guests. Ladies and Gentlemen, before -- before they make their introductions, will all members of Committee on Assignments please come to the President's Anteroom immediately? All members of the Committee on Assignments to the President's Anteroom immediately. Senator Luechtefeld.

SENATOR LUECHTEFELD:

If -- if I could have your attention, please. Today we are honored to have with us the Class 2A State Championship Girls Basketball Team. I'd like to tell you a little bit about them before I introduce the coach so that he could introduce the players. This is an unusual group of players and an unusual program. They're from Nashville, Illinois, which -- which used to be in my district, but somebody drew a line around it and it's -- it's no longer there. But, anyway, I have part of it. It is actually in Senator Kyle McCarter's district. But this is

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an unusual group of -- of kids and program. If you are familiar with sports in Illinois, going to State tournament and being in the Final Four is very difficult to do. This is a school that has been in the Final Four eight of the last thirteen years. That's unusual. That is, I can tell you, very unusual. And, you know, we're very proud of them. I would like, for instance -- they are State champions this year. If you will -- welcome their coach, Wayne Harre, their assistant coach, Doug Althoff, and he will introduce -- introduce the team. Hopefully you will give them a -- a great welcome.

COACH WAYNE HARRE:

(Remarks and Introductions by Coach Wayne Harre)

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Manar, for what purpose do you rise?

SENATOR MANAR:

A point of personal privilege, Mr. President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Please state your point, Senator Manar.

SENATOR MANAR:

Thank you, Mr. President, and my colleagues in the Senate. I'd like to welcome two groups from Decatur with us today that are in the gallery. First, there are a few members from the Black Chamber of Commerce in Decatur, and also a group called the Caring Black Men, who do phenomenal work in the public schools, working with youth, predominately African-American youth, and males, to mentor them, tutor them, and give them a good path in life. So I'd just like to acknowledge them. They are here with us today in the Senate.

PRESIDING OFFICER: (SENATOR SULLIVAN)

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Will our guests in the galleries please rise? Welcome to the Illinois State Senate. Great to have you here today. Thank you. Senator Hastings, for what purpose do you rise? SENATOR HASTINGS:

A point of personal privilege, Mr. President. I'd like to introduce...

PRESIDING OFFICER: (SENATOR SULLIVAN)

Please state your point.

SENATOR HASTINGS:

...to the Senate, Mr. -- Chief Tom Scully. He's the Chief of Orland Hills, Illinois. He's also the past president of the South Suburban Chiefs Association. I was just hoping that we can welcome him here in Springfield.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Chief, welcome to the Illinois State Senate. Great to have you here today. Thanks for coming. Stephen Bourque with WICS-TV requests permission to video- and audiotape, and Lane Christiansen with the <u>Chicago Tribune</u> requests permission to photograph. Seeing no objection, leave is granted. Ladies and Gentlemen, again, the Senate Committee on Assignments is meeting. Will all members of the Committee on Assignments please come to the Anteroom immediately? Senate will stand at ease. (at ease) Senate will come to order. Mr. Secretary, Committee Reports.

SECRETARY ANDERSON:

Senator Clayborne, Chairman of the Committee on Assignments, reports the following Legislative Measures have been assigned: Refer to Executive Committee - Senate Bill 1476 and Committee Amendment 1 to Senate Bill 1859; refer to Revenue

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Committee - Floor Amendment 2 to Senate Bill 1953; refer to State Government and Veterans Affairs Committee - Senate Joint Resolution 23 and Senate Joint Resolution 24; re-refer from Executive Committee to Assignments Committee - Floor Amendment 3 to Senate Bill 35; Be Approved for Consideration - Floor Amendment 3 to Senate Bill 1 and Floor Amendment 3 to Senate Bill 1544.

Signed, Senator James F. Clayborne, Chairman.

Senator Clayborne, Chairman of the Committee on Assignments, reports the following Legislative Measures have been assigned: Be Approved for Consideration - Floor Amendment 3 to Senate Bill 35 and Floor Amendment 4 to Senate Bill 35.

Signed, Senator James F. Clayborne, Chairman.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Ladies and Gentlemen, if I could have your attention. The following committee will meet up -- will be meeting to take up Floor amendments this afternoon: Revenue Committee will meet in Room 409 at 5 p.m. this afternoon. Revenue, Room 409 at 5 p.m. Leader Radogno, for what purpose do you rise?

SENATOR RADOGNO:

Thank you, Mr. President. A point of personal privilege. PRESIDING OFFICER: (SENATOR SULLIVAN)

Please state your point, Senator -- Leader Radogno.

SENATOR RADOGNO:

Thank you. I would like to introduce some folks from Western Springs who have joined us on the Floor today. Western Springs is represented primarily by myself, Senator Dillard, and a little bit by Senator Lightford. So we have with us today

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Senate -- Village President William Rodeghier; Trustee James Horvath; the Village Manager, Patrick Higgins; and the Deputy Village Manager, Ingrid Velkme. So if you could welcome them, I would appreciate it. Thank you.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Welcome to the Illinois State Senate. Great to have you visiting us today. Thanks for being here. Ladies and Gentlemen, with leave of the Body, if you will turn to page 12 of your printed Calendar, page 12 of your printed Calendar, on the Order of Senate Bills 30 -- 3rd Reading. Senate Bills 3rd Reading. At the top of the page, we have Senate Bill 35. We'll let it come up on the board. Senator Biss. Senator -- Senator Biss seeks leave of the Body to return Senate Bill 35 to the Order of 2nd. Seeing no objection, leave is granted. Now on the Order of 2nd Reading, we have Senate Bill 35. Mr. Secretary, are there any Floor amendments approved for consideration?

SECRETARY ANDERSON:

Floor Amendment No. 3, offered by Senator Biss.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Biss, on Floor Amendment No. 3.

SENATOR BISS:

Thank you, Mr. President. Floor Amendment 3 simply addresses, what I think we can all agree to be the reality that, should this bill pass both Chambers and be signed into law, even immediately, it would nonetheless wind up with a fairly prolonged legal action and, therefore, that it would be irresponsible to assume savings in our FY'14 pension payment. Consequently, Amendment 3 delays the change to our payment

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schedule by one year, based upon the assumption that such legal action would take that long.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Is there any discussion? Seeing none, all those in favor will say Aye. Opposed, Nay. The Ayes have it. The amendment is adopted. Are there any further Floor amendments approved for consideration?

SECRETARY ANDERSON:

Floor Amendment No. 4, offered by Senator Biss.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Biss, on Amendment 4.

SENATOR BISS:

Thank you, Mr. President. Amendment 4 addresses two separate issues that came up when Senate bill was heard in Executive Committee last Wednesday. The first issue was raised by Senator Righter and concerns the funding guarantee. expressed a concern that though the contractual relationship described in the bill is between the individual participant in the pension system and the State, that in the unamended version of the bill, it appears that only the system itself has a legal remedy to ensure funding and that that might not be adequate, given that -- that the system itself is not one of the parties to the contract. What the amendment does on this point is simply to write explicitly what -- what, I believe, may have already been part of common law, which is that because of the fiduciary relationship between the system and the participant, the system not only may bring a suit, but must bring a suit should the State funding be inadequate, and should the system fail to do that, goes on to say - the amendment - the individual

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participant has the right to bring an action to compel the State to then bring an action to compel the State to pay. On a second matter - this was an issue raised by Leader Radogno - there were some concerns that the way in which the cost-of-living adjustment was altered in the bill, it was essentially allowing for short-term, highly paid employees to get a better deal than other individuals. And so we've rearranged the structure of this cut in a manner that, based upon at least preliminary indications, appears to be fiscally neutral, but instead of having an across-the-board cap, says that the portion of the pension accessible to cost-of-living adjustment will be equal to an amount which is one thousand dollars for each year of service, or eight hundred dollars for each year of service in the instance of an employee who's covered by Social Security. This has the impact of, I would argue - in keeping with Leader Radogno's wishes - ensuring that that short-time, high-paid worker is sharing in the sacrifice asked by this bill. On the flip side, then, it enables the full career worker to actually have a somewhat better deal than under the initial version of the bill. So, for instance, someone who works in the Teachers' Retirement System for their full thirty-five years, to max out their pension multiplier, would then have an annual increase that they're eliqible for of over a thousand dollars.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Is there any discussion? Seeing none, all those in favor will say Aye. Opposed, Nay. The Ayes have it. The amendment is adopted. Mr. Secretary, are there any further Floor amendments approved for consideration?

SECRETARY ANDERSON:

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No further amendments reported.

PRESIDING OFFICER: (SENATOR SULLIVAN)

3rd Reading. Now on the Order of 3rd Reading, we have Senate Bill 35. Mr. Secretary, please read the bill.

SECRETARY ANDERSON:

Senate Bill 35.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Biss.

SENATOR BISS:

Thank you, Mr. President and Members of the Senate. As you know, this is a comprehensive pension reform proposal, and as you know, it's a response to the extraordinarily difficult fiscal position the State finds itself in. And we've all heard a lot about this difficult fiscal situation, but as -- as I think about the magnitude of pension reform that, I would argue, the -- the situation demands, I keep coming back to one simple set of facts that really I find stunning. When I think back to what we have done to address our fiscal challenges since the beginning of 2011, it's quite a list: a very substantial income tax increase, very deep cuts to education - cuts actually that once would have been viewed as unthinkable to education - to higher education, to human services, to MAP grants, to public safety, to the very functioning of State government. Then, last year, we passed a extremely painful set of reforms to our Medicaid program. And at the end of all of these steps over the course of the last two years and several months, our backlog of unpaid bills isn't shorter. Our backlog of unpaid bills isn't

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shorter. All of these measures have just enabled us to tread water. And it's not because we haven't done those things - we have, or because they haven't worked to bring in more money or to save money - they -- they have. But the rising cost of our formula-driven and nondiscretionary operations are just extraordinary that they leave us in a position where, without addressing those formula-driven costs, we're always going to be We're always going to be making, very, very, very deep cuts in the core areas of State government that all of our constituents rely upon, and still, I expect, finding ourselves with billions and billions of dollars of unpaid bills. the problem that this bill seeks to address. It seeks to rein in the growth of our annual pension payment, so as to make its growth manageable over the course of the next thirty years, by virtue of a series of benefit changes that while very, very difficult, I realize, I believe are constructed in such a way as to spread the burden as equitably as could be asked. simultaneously, the bill makes a series of reforms that, I believe, allow us to truly say that we have fixed the structural problems that got us here and allow us to go back to our employees, who we're asking to share in the sacrifice via the benefit reforms, and say to them that we have truly reformed the system, they will now get the benefit that they have been promised, and the system is affordable and State government can continue to run. So, what are those changes? The changes on the Tier I package of benefits are as follows: Employees will pay two percentage points more of their -- of payroll, phased in over the course of two years. There'll be a cap of pensionable salary at the social security wage cap, though anyone will be

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grandfathered in with what they're currently earning, or what they will be earning during -- during their current contract. There will be a phased-in increase in retirement age. not affect individuals over forty-five. Retirement age will be increased by one year for people between the ages forty and forty-five, by three years for people between the ages of thirty-five and forty, and by five years for people over the -under the age of thirty-five. And, finally, the annual increase will be changed. It will be delayed until five years after retirement or the age of sixty-seven, whichever comes first, and it will be limited to the first thousand dollars of pensionable salary before {sic} each year of service, as -- as in Amendment 4, which I described earlier. Then, additionally, it makes a It puts in place for the Teachers' series of reforms. Retirement System and State University Retirement System a new hybrid Tier 3 system, which is an improvement. And I would argue a substantial improvement on Tier II, but which enables the State -- or the employer and the employee to share the risk in a manner that I think will be more sustainable going forward, substantially more sustainable. It makes a change to the General Assembly Retirement Tier II pension system, putting us on equal level with the other systems, as opposed to giving us a better deal than -- than the other systems, as is currently in Then there are a series of funding measures. First of all, when the pension obligation bonds currently outstanding are paid down, those moneys will be redirected to pay down our pension debt. Secondly, we move - and this is important - we move for the first time in Illinois to an actuarial funding schedule, a hundred-year funding on a thirty-year schedule.

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last of all, there's a very strong - and recently twice -- twice strengthened via amendments - funding quarantee, a funding quarantee that rectifies the historical failure of the State of Illinois to make the payments that it ought to have made, a funding guarantee that enables us to, again, look our employees in the eye and tell them this will not happen again, and a funding guarantee that, I believe, is credible, because the reforms already articulated will enable us to save enough money that we can then make those payments. The reforms would -would reduce the unfunded liability by slightly less than thirty billion dollars. They would reduce our total pension payments over the course of the life of the plan between now and 2045 by around a hundred and fifty billion dollars. And they would provide fairly close to two billion dollars in budgetary relief in the first fiscal year they went into effect. So, there are many questions, very, very justifiable questions, regarding the constitutionality of this bill. And indeed, Article XIII, Section 5, of the Illinois Constitution provides a very strong protection for public retirement systems, and that is a protection that we have an obligation to take seriously and an obligation to analyze carefully. But Article XIII, Section 5, is not the only part of the Illinois Constitution. The Preamble of the Constitution says explicitly that the whole point of the document is to provide for the health, safety and welfare of the people; to eliminate poverty and inequality; to assure legal, social and economic justice. Article X, Section education, says the -- the State shall provide for an efficient system of high quality public educational institutions and services and that the State has the primary responsibility for

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financing the system of public education. We're not doing those We're not. And the question that we have to ask ourselves, and I freely admit that it's not an obvious question or an easy question, but the question we have to ask ourselves is whether the pension clause, by virtue of its strong, clear language, takes clear precedence above and beyond all of those other priorities that are themselves articulated in the Constitution and elsewhere in statute and so forth, or instead is it our responsibility, given the emergency fiscal position that we're in and given its consequences for those very other constitutionally articulated priorities that I mentioned, is it our responsibility to balance these things against one another and find the most equitable distribution of the pain that we possibly can in getting out of this difficult situation? my view - understanding the difficulty of this question, understanding the legitimacy of other views - it is my view that the best thing we can do is to balance these priorities against one another. And it is my view that Senate Bill 35 achieves that balance. Senate Bill 35, if it passes, won't make life easy for the State of Illinois. It won't make our pension payments easy to make. We'll have hard, difficult times making our pension payments for the next thirty years, paying down that liability, that remaining liability. In fact, if this bill is passed, I believe we'll still be the worst-funded pension system in the country. But in my view, it makes it possible. It gives us a chance of doing it. And given the extraordinary pressures on the other key services that our constituents rely upon, that a prosperous and equitable society needs, I believe this is as equitable a solution as we can achieve and I respectfully

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request an Aye vote.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. We have several Members seeking recognition. Senate -- Leader Radogno, for what purpose do you rise? SENATOR RADOGNO:

Thank you, Mr. President. I rise in support of this bill. First of all, I want to thank Senator Biss, Representative Cross and Nekritz. I think that clearly the credit on this bill goes to them. They've worked very, very hard on it. And, also, to all of the Members that have put in pension reform bills. all know what a vexing problem this is, and no matter what we do, it's going to be painful to someone. So, we have a lot of great ideas here, but I think, at this moment, this is the best, most comprehensive plan that we've seen to date that tries to treat everyone fairly. I do also appreciate the willingness of Senator Biss to accommodate the concerns that we had on this I also think it's important to thank side of the aisle. President Cullerton for allowing this to come to a vote. don't know how this is going to turn out, but I think it's an important step for us to actually be voting on realistic comprehensive pension reform bills. So I would encourage everyone, knowing that we have to do something comprehensive for our own future, for our children, for our grandchildren, to support this bill. I think it's -- it's the best path forward at this point in time. Thank you.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Further discussion? Senator -- Senator Dillard, for what purpose do you rise?

SENATOR DILLARD:

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Thank you, Mr. President. I, too, rise in support of Senate Bill 35. Finally! We've been waiting for a long time to have a comprehensive pension bill come to a vote - not only in the Senate, but just in the General Assembly, period. And I want to thank Senator Biss, a relatively new Member of the General Assembly, for accomplishing something that other Leaders have not been able to do. Like Senator Radogno, I want to thank Senator Cullerton, who at least gave us a vote on a much too small bill last year that did the General Assembly and the State Employees' Retirement System, and I want to thank Senator Cullerton for letting this bill be called and be called first. This is not a perfect bill, but Senator Biss, Representative Nekritz, Representative Cross have done yeomen's work in the most difficult topic I've probably ever seen in my years down here. The Civic Federation and the Illinois Business Roundtable say that the numbers in here, albeit not perfect, do work and they put us on a road to fiscal solvency, and that's good enough for me. I don't know what the future is of Senate Bill 35, or Senate Bill 1, or whatever else is going on around here, but it is important that we get on record for the credit agencies on Wall Street, for businesses that are just stifled and will not invest or expand in Illinois because they know we have the greatest unfunded pension debt in America, to show them that we can actually pass something that is realistic that will improve our State's credit rating. It is -- I said last July, when Governor Quinn said he wouldn't let us go home over the summer until we did pension reform, that if I were the Governor, I would've locked everyone in the mansion this summer and no one would come out in the heat of July, and the first one over the

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wrought iron fence without a deal being put together, we'd know really didn't want pension reform. There's a lot of moving of balls around here and changing of the deck, but I believe that Senator Biss is very earnest in his attempt to solve and get our pension systems back in order. It is time to put this State back in a fiscal-stable position, and it is time and this is a great State, folks. We are the capital, the economic capital of the Midwest, and everyone who lives in the Midwest, whether they live in Illinois or Indiana, Missouri, Wisconsin, need a strong and stable Illinois. And it is time to make this State work again, not only in terms of our fiscal solvency of State government, but make it work again with respect to economic development by the private sector, which has been stifled by our inability, until today, to at least vote on something meaningful and realistic on pension reform. So, you know, hopefully this will -- will get us on the road to a final, final solution, and I commend the sponsor, and I think every Member of this General Assembly owes it to our taxpayers to be an Aye vote on this today. Thank you.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Further discussion? Senator Raoul, for what purpose do you rise?

SENATOR RAOUL:

Question of the sponsor.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Indicates he will yield, Senator Raoul.

SENATOR RAOUL:

Senator Biss, in committee, when this bill was heard - without the amendments, of course - there was extensive

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conversation about the prospective constitutionality of the bill, and you had a witness, a constitutional expert of -- of sorts, who testified I think on behalf of the bill, but never came to the point of saying that he thought the bill was constitutional. So I want to ask you a couple of questions about your theory that this bill would be constitutional. Is your theory premised upon what you mentioned in your opening remarks of the balancing of the Preamble -- the -- the -- the -- the -- the -- the portions of the Preamble of the Constitution against a specific Article in the Constitution, and saying that language in the Preamble outweighs a specific Article of the Constitution?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Biss.

SENATOR BISS:

Well, Senator, first of all, I referenced both the Preamble and a specific Article, Article X, the Education Article. I would characterize the -- the argument a little bit more broadly. I would say that on one side of the scale, you have Article XIII, Section 5, the pension clause, which is very strong, very clearly written, and, therefore, merits very serious deference. On the other side of the scale, you have many things. You have, as I mentioned, the Preamble and Article X and a variety of other mentions throughout the Constitution. You have a variety of statutory responsibilities that the State ought -- is -- has in law declared that it must meet, and you also have a variety of basic public priorities that may not even be laid out in Constitution or statute, but, nonetheless, are clear public priorities. Now, it may be the case that no one of

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those priorities is laid out in as stark language as Article XIII, Section 5, or maybe -- maybe that's not the case. But even if that is the case, my view is that the preponderance of priorities, against some of which rise to the level of being constitutional priorities, the preponderance of priorities which we are unable to meet in significant part because of our fast-growing and, I would argue, unmanageable pension costs provides a sound argument for balancing that set of priorities against Article XIII, Section 5.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

And so, yeah, I stand corrected. Article X is a -- is -- is a -- is one of the Articles you referred to, and that refers to the funding of our education, is that correct?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Biss.

SENATOR BISS:

Yes.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Now, historically, there have been lawsuits filed based upon Article X, suggesting that we don't -- don't do an adequate job of funding our education as we're required by our Constitution, and those lawsuits has met failure. Is that -- is that correct?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Biss.

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SENATOR BISS:

Yes, and that's exactly my point. That's precisely my point, Senator, that these requirements placed in the Constitution are, by definition, balanced against what is possible, they're balanced vis-à-vis a judicial deference to the legislative view about what is possible and what is necessary. And my argument is simply that the fiscal emergency we're in justifies balancing the strong protections in Article XIII, Section 5, against these various other priorities.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

So, however, in the past, the courts have -- have not found that sense of urgency towards funding education to educate our kids, but you're suggesting now they would look otherwise and -- and give added weight to Article X, notwithstanding the fact that in this case, it is juxtaposed against Article XIII of the Constitution, which specifically refers to the contractual -- to the -- to the membership in the pension and retirement system as a contractual relationship and specifically says that it shall not be diminished or impaired.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Biss.

SENATOR BISS:

My position is simply that just as the courts have granted the Legislature deference to, quite frankly, ignore the plain language of Article X, because of circumstances of fiscal difficulty and because of the question of what is possible, that it is reasonable for us to ask that they make a analogous

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judgment in the case of Article XIII, Section 5, given the situation the State is currently in.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

And so I'm clear, there's no part of the theory of the constitutionality of your bill that's premised upon this being a -- a legal modification of the contractual relationship that's recognized by Article XIII of the Constitution?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Biss.

SENATOR BISS:

The argument I laid out is not based upon contractual principles. It's not based upon offer, consideration and acceptance.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

So, your bill would not pass constitutional muster based on Article XIII by itself, based on a modification of a contract. It would -- if that were the -- the -- the focus of the court, your bill would be unconstitutional.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Biss.

SENATOR BISS:

...believe -- I believe it is quite likely that if a court were to take a maximalist interpretation of Article XIII, Section 5, then they would quite likely strike down this bill, should it become law. I, of course, am uncertain about my

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ability to predict what they would do in -- in either direction and I hope I've communicated that uncertainty clearly to you.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Thank you. To the bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

To the bill, Senator Raoul.

SENATOR RAOUL:

I -- I, too, appreciate Senator Biss' work on this bill -or, on this issue at large, as well as Representative Nekritz and -- and others who have worked on this. I, myself, have sat in countless of meetings through the years, trying to figure out - whether it was a task force here or a commission there trying to figure out what we do about this problem. appreciate Senator Biss' honesty and -- and the discussion that we've been able to have via the constitutionality of this bill. But I think what has been acknowledged pretty much gives us a pretty strong predictor as to what our State Supreme Court would do with this bill, this unequivocal language in Article XIII that describes the membership in our State's pension and retirement systems as a contractual relationship that shall not be diminished or impaired. It's -- it's unambiguous and we can't ignore it. We can't just say we don't think that the court is going to look at this unambiguous language and -- and -- and say, "Oh, well, we think the exigency of the circumstance gives us an opportunity to say, 'Oh, the heck with Article XIII.'" The court is not going to do that. And -- and part of that, the theory that the court would do that, they would have

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to kind of conclude that this is our only option. They would have to conclude that this -- that it's an emergency and this is the only thing we can do. So, based on that, throw out Article XIII. You know, and that's not our only option. several -- several bills that have been introduced that will be of record, right? They will be of record and the court will not ignore that. And so I don't think we can sit here and say, "Well, we got to do something" and think that we did something just so we can go home and say we did something, knowing that we will be right back here next year. That's irresponsible. That is irresponsible. A witness testified in Exec Committee and he was the constitutional law expert on this and he had not read in detail the Arizona opinion that struck down a -- a unilateral diminishment of benefits for public pensions with a state constitution strikingly similar to the clause that we have in our Constitution. We cannot just ignore that and say, "What the heck, we got to do something, so let's just throw this out here and, yeah, we're not going to count the savings 'cause we might be back here next year." You better believe we'll be back here next year dealing with the same thing and the problem will not -- the problem will not have gotten better. You better believe we'll be back here. So I appreciate the work that's been put into this. I'm not speaking to the -- the numbers in the bill. Senator Biss is a mathematician. He knows the numbers far better than I do. I can see that. But as I read our Constitution, plain language -- and many people have said while discussing this, "I am not a lawyer". You really don't have to be a lawyer to read the -- the plain language of Article XIII, a contractual relationship, the benefits of which shall not be

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diminished or impaired. It's plain English, folks. It's plain English. You don't have to be a lawyer to read it. Read Article XIII, please. Read it. It's plain English. I cannot vote for this bill in good conscience, notwithstanding the savings that I trust are attached to this bill, knowing that all it's -- all that's going to happen is we're going to be right back here next year. So I -- I have to respectfully urge a No vote on this bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Seeing no other Members wishing to be recognized, Senator Biss, to close.

SENATOR BISS:

Thank you, Mr. President. I'll be quick. I appreciate the debate and I appreciate the diversity of views on this. I hope everybody considers strongly voting for this bill, and, frankly, I hope everybody votes for this bill. But I also hope that nobody does it joyfully. And I hope that nobody does it easily. Because the -- the argument that we've all heard many, many times is that the employees of whom we are asking very real sacrifice in this bill have done nothing wrong, and they haven't. They've made every payment, and they have. They were made a promise, and they were. And I also hope you notice that I never used the word "fair" when talking about this, because they were made a promise and it isn't fair. It isn't fair to be in a position of needing to make changes. And, yet, it is my clear view, based upon where we are as a State, based upon the unimaginable difficulty we place ourselves -- we find ourselves in, based upon the very, very quickly growing annual payments into our pension system, that we really have to make substantial

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changes. Again, not substantial changes to make this cheap or easy or free, not substantial changes that don't leave us with a substantial amount to pay, with a difficult amount to pay, but substantial changes that give us a fighting chance going forward for the next thirty years of making the public sector expenditures in education, infrastructure, higher education, human services, and Medicaid that a prosperous society relies upon and that our constituents deserve. I believe, again, that this bill strikes that balance. And knowing what a difficult vote it is, and knowing what it means to say, "Yes, we made a promise, but...", I ask you to vote for this bill as a bill that will enable us out of the ashes of that failure to build a system going forward that we can truly afford and to build a State going forward that we can all be proud of. Thank you.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Ladies and Gentlemen, the question is, shall Senate Bill 35 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? Mr. Secretary, take the record. On that question, there are 23 voting Aye, 30 voting Nay, 3 voting Present. Senate Bill 35, having not received the required constitutional majority, is declared failed. Brittany Harris with WCIA 3 News requests permission to videotape. Seeing no objection, leave is granted. Ladies and Gentlemen, with leave of the Body, we will go to -go back one page, to page 11 of the printed Calendar, at the top of the Order with regard to Senate Bills 3rd Reading. Senate Bills 3rd Reading, bottom of the page 11, we have Senate Bill 1. President Cullerton. Indicates he wishes to proceed. Senator

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- President Cullerton seeks leave of the Body to return Senate Bill 1 to the Order of 2nd Reading. Seeing no objection, leave is granted. Now on the Order of 2nd Reading, we have Senate Bill 1. Mr. Secretary, are there any committee -- or Floor amendments approved for consideration?

Floor Amendment No. 3, offered by President Cullerton.

PRESIDING OFFICER: (SENATOR SULLIVAN)

President Cullerton, on Floor Amendment 3.

SENATOR J. CULLERTON:

SECRETARY ANDERSON:

Thank you, Mr. President, Members of the Senate. Amendment No. 3 becomes the bill. I'd like to adopt the amendment and then debate the bill on 3rd Reading.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Is there any discussion? Seeing none, all those in favor will say Aye. Opposed, Nay. The Ayes have it. The amendment is adopted. Mr. Secretary, are there any further Floor amendments approved for consideration?

SECRETARY ANDERSON:

No further amendments reported.

PRESIDING OFFICER: (SENATOR SULLIVAN)

3rd Reading. Now on the Order of 3rd Reading, we have Senate Bill 1. President Cullerton indicates he wishes to proceed. Mr. Secretary, please read the bill.

SECRETARY ANDERSON:

Senate Bill 1.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

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President Cullerton.

SENATOR J. CULLERTON:

Thank you, Mr. President, Members of the Senate. Senate Bill 1 is limited to the Teachers' Retirement System. applies to only Tier I employees. It does not apply to Tier I retirees or Tier I employees who have already elected to retire under their existing collective bargaining agreements on or before January 1st of this year. Senate Bill 1 asks Tier I actives to make one of two choices. Choice one - take a lower Tier II COLA delayed by the earlier of age sixty-seven or five years after retirement; or, choice two - keep their existing three percent compounded COLA. If the person makes choice one, or takes the deal, then the person will receive access -- access to retiree health care, have future salary increases always apply for pension purposes, and ability to participate in an early retirement option and an optional cash balance plan. the person makes choice two, or does not take the deal, then the person will only have future salary increases offered on the condition they not count for their pension purposes and will not have retiree health care access and will not be eligible for either the early retirement option or the cash balance. Now, Ladies and Gentlemen, Illinois is the worst-funded State pension system in the United States. And as a direct result of pension reform measures not becoming law last January, we had our credit rating cut by Standard and Poor's, leaving us the lowest of any I've said all along, we must be honest about the political nature of the path to pension reform. Members of both sides of the aisle, as evidenced by the last roll call, that aren't willing, at this point in time, to vote

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for a version of pension reforms. Last year, this Chamber took the lead and we passed a pension reform measure to the House, twice, on a bipartisan basis, sixteen Democrats, fourteen Republicans. And today, while the composition of the Democratic Majority has changed, the need for bipartisan action has not. So, there's folks, like organized labor or the business community, who are working against various versions of pension reform measures. Some will argue that the legislative measures before us are too harsh; others say and insist that they don't do enough. But we've reached a crossroads. We've had enough debate on these issues. Now is the time to pass a bill. the pension clause states that membership in the State pension system is an enforceable and contractual right. I believe that means that benefits cannot be changed unless the Legislature offers public employees and retirees a choice and opportunity to consider and accept that offer. But Ι acknowledge that there are other interpretations of the pension clause and there's various ways to structure a reform bill. it's our job to pass a bill that addresses the crisis. It'll be up to the courts to rule on the constitutionality of the legislation. So in an effort to be responsive to the desire to capture maximum amounts of savings for our State, I have agreed to -- sponsor a reform package that is not based totally on my the responsibilities -- of own interpretation of responsibilities under the pension clause. But Senate Bill 1, the one that's before us right now, it affects teachers and it will reduce our unfunded liability, immediately, by 4.7 billion dollars, and it will save the State eighteen billion dollars over the next thirty years - thirty years. That's a significant

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number because we need thirty votes for this bill. Thirty votes and this bill will begin to put the systems on a more favorable track. Thirty votes will immediately impact our State's credit rating. Thirty votes will save the State billions of dollars, which would help lower our tax rates. Thirty votes means our kids, from pre-K to high school, won't see declining investments in their futures. Thirty votes means we'll have more money to pay our bills sooner to our vendors. And thirty votes would have -- have the effect of increasing confidence to those who are worried that they won't even have a pension if we don't pass some reforms. For that reason, I would encourage a bipartisan Aye vote. I'd be happy to answer any questions.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Is there any discussion? Senator Murphy, for what purpose do you rise?

SENATOR MURPHY:

Question of the sponsor, Mr. President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

He indicates he will yield, Senator Murphy.

SENATOR MURPHY:

Mr. President, why -- why didn't this amendment come to committee? It is -- you know, we've discussed a lot of different issues and a lot of different angles. This is the biggest issue we're going to face, certainly this year, and for a lot of us, in our entire career here. This is the solution you're proposing. Why did we blow through the -- the standard process and have a committee, where we vet ideas and issues and have witnesses come testify in a committee setting, and come right out here to the Floor?

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PRESIDING OFFICER: (SENATOR SULLIVAN)

President Cullerton.

SENATOR J. CULLERTON:

Well, Senator, as you know, we did have a committee hearing on Senate Bill 1 and other bills, including the previous bill that we just voted on. And there's nothing in this bill that has substantively changed, other than the arrangement of the -of the different pieces is different. And so, as a result, just like with the previous bill that we just voted on, where we immediately sent the amendments directly to the Floor and then just voted on it, we're doing the same thing with this bill. I -- I know, and you know, that we had a long, long, hours-long debate about Senate Bill 1, and as a result of it, we got changes that were put into various parts of this bill directly that came as a result of those -- of those debates. But they're incorporated. So, believe me, I think this is a fair process. We debated these bills last year. It's -- the substance of them has not changed. Perhaps the different parts may have. that reason, we're debating this bill and we want to vote on it. PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Murphy.

SENATOR MURPHY:

I appreciate that. The -- the amendments on the Biss -- Senate Bill 35 bill were rather minor. There is a substantive change here, in that this involves treating retired teachers differently from other retirees. That was not in any of the bills that we've discussed in committee and there was a substantial effort to try to discredit the constitutionality of Senator Biss' bill out here just a minute ago. Aren't you at

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all concerned that the disparate treatment of similarly situated people, meaning retirees in one group being teachers being treated differently than retirees in another group, raises an equal protection issue that would be problematic?

PRESIDING OFFICER: (SENATOR SULLIVAN)

President Cullerton.

SENATOR J. CULLERTON:

Well, first of all, I do recall in the committee on Senate Bill 1 talking about the fact that we were considering the possibility of taking the retired teachers out of the effect of Senate Bill 1, because we discovered and we heard from the system itself, the quy who administers the system, that in his opinion in the choice that's offered to retired teachers that none of them, none of them, would take this option, because their health care is, quite frankly, not as subsidized as State employees and ours. And so as a result, we realized that by taking the retirees out, and we did that by using our -- there's a rational basis to treat them differently, constitutionally. We did that because we didn't lose any money by taking them out. So, the retirement system will save the same amount of money by taking the retirees out, and that's why I chose to do this. And we did discuss this in committee and I did mention something that we were -- under consideration.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Murphy.

SENATOR MURPHY:

To the bill, Mr. President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

To the bill, Senator Murphy.

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SENATOR MURPHY:

I made the point in committee; I want to make it again out here. I don't like these bills. I don't think the offer and acceptance model goes far enough to solving the problem. what I do really appreciate and what stands in stark contrast, frankly, to what's gone on on the other side of this building, is I do appreciate, Mr. President, that you have invested yourself in "a" solution. We can disagree about whether this is it, and we do, but you've engaged our Leader. You have actually worked to try to solve this problem. I don't know why we have to wait for smoke signals or signs or read tea leaves on the other side of this building to move towards pension reform, but it's clear that we do. So I want to be clear that your effort in this area is appreciated and respected on this side of the I further made the point in committee, and I still believe it, and I think the -- the bill is weakened and I understand the political realities of trying to make it easier for people to get to thirty votes by voting -- by taking certain constituency groups out, but let's get down to the numbers. Remember what Senator Biss said about the extent of this problem. I mean, at minimum, if we get eight percent rate of return going forward, we have about a hundred-billion-dollar problem. This is 4.7 off of it. Senator Biss' bill takes about a hundred and sixty billion off our future liabilities; this takes about thirty. Is that nice? Sure, it's nice. Does it solve the problem? No. You all know how hard this problem is. You've lived with it, whether you just got here or you've been here a few years. You know how visceral and difficult this issue is. If we're going to do it, let's do it. Senator Biss'

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bill saves us seven times more money than this - seven times twenty-eight billion instead of 4.7, hundred and sixty-plus billion versus thirty billion. We have an opportunity, as the Senate -- and I hope we'll reconsider the efforts taken from, frankly, Members on both sides of the aisle on how they looked at Senate Bill 35, if they weren't for it. opportunity to send this over to the Senate {sic}, Senate Bill 35, that actually takes a meaningful bite out. I respect the effort, Mr. President. This doesn't do enough for us to put the check in the box on pension reform and it doesn't do enough to give peace of mind to the people who count on those pensions and it doesn't do enough for the taxpayers who want to see social services, the developmentally disabled and mentally ill taken care of to say that we're finished with this. Let's do this right. It's hard, but let's get it done - get it done right. This is not the solution. I urge a No vote.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Further discussion? Senator Raoul, for what purpose do you rise?

SENATOR RAOUL:

Just -- just to the bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

To the bill, Senator Raoul.

SENATOR RAOUL:

The previous speaker referenced an effort to discredit the previous bill. And -- and I'd like to just state that my -- a different characterization of -- of what my conversation with Senator Biss was. It -- it was opining on the constitutionality of the bill, opining on it not to discredit the bill, but to

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make the statement that I felt, based on a plain reading of the Constitution, that if that were to be our option, we'd be right back here next year. The difference between that bill and this bill, and the previous speaker said he doesn't think the offer and acceptance model saved enough, which -- which is a valid argument. And I imagine this is not the only thing that is going to be proposed with regards to achieving savings. But what he did not say is that he didn't think that the offer and acceptance model was an appropriate -- was a inappropriate modification of a contract that would thereby render this bill unconstitutional. What he didn't say sounded more loudly than what he did say. And so I'll take that previous speaker's indication as an endorsement of the constitutionality of this bill, and based on that, I urge an Aye vote on this bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Seeing no further Members seeking recognition, President Cullerton, to close.

SENATOR J. CULLERTON:

Thank you, Mr. President. First of all, let me just talk about the numbers. Because we're giving people a choice in this bill, the active teachers, we don't know how many people are going to take the -- the deal, as I described the bill. There is a range, though. I used the conservative number of eighteen billion dollars that we will save over the next thirty years. I -- I should tell you, though, that if all the retirees took the deal, gave up their compounded COLAs -- I'm sorry, if all -- if all of the actives took the deal and give up their compounded COLA, we could save forty-four billion. This measure, I have advanced, because I believe it's constitutional. It has the

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strongest argument to being constitutional. And if we were to pass a bill that was unconstitutional, it would be a year before we'd find that out and we would have lost a year of savings. That's what I'm trying to avoid by advancing the bill that I think is -- is fair. Now, this bill does not have Part A in it, as the next bill does. It's a offer and acceptance bill. only applies to the teachers. There is no cost shift in this bill. We took that part out. There's a guarantee of a retire -- that we will continue to pay, in the future, our pension systems, and if we don't, you can sue us. We say that when we finish paying off the pension obligations in 2020, we put an extra billion dollars - even beyond what the actuarials demand into the pension system. That's in here, as well. And we don't have this bill affect retirees, only because we don't save any money by including them. That's why there's a difference for the teachers than the other State employees and that's why they're not -- they've been separated out of the original Senate Bill 1. So, for those reasons, I appreciate the debate. would appreciate an Aye vote.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Ladies and Gentlemen, the question is, shall Senate Bill 1 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? Mr. Secretary, take the record. On that question, there are 29 voting Aye, 22 voting Nay, 4 voting Present. Senate Bill 1, having not received the required constitutional majority, is declared failed. President Cullerton, for what purpose do you rise? SENATOR J. CULLERTON:

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Postpone.

PRESIDING OFFICER: (SENATOR SULLIVAN)

President Cullerton.

SENATOR J. CULLERTON:

I would ask for Postponed Consideration on that bill, please.

PRESIDING OFFICER: (SENATOR SULLIVAN)

The bill will -- Senator Cullerton requests that Senate Bill 1 be postponed. The bill -- will be placed on the Order of Postponed Consideration. James R. Carder with Bluestream.com {sic} (Blueroomstream.com) requests permission to videotape. Seeing no objection, leave is granted. Senator Luechtefeld, for what purpose do you rise?

SENATOR LUECHTEFELD:

Thank you, Mr. President, Members of the -- of the Senate. Would like to remind people on both sides of the aisle that tonight over at the State House Inn, there will be a Sportsmen's Caucus. Many of you have been there before. Again, we'd like to make this -- I think it goes for a good cause. We'd like to make this big. Hopefully, both sides of the aisle will show up this evening at the State House Inn. Thank you.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you -- thank you, Senator Luechtefeld. Ladies and Gentlemen, with leave of the Body, if you will turn to page 15 of the printed Calendar. Page 15 of the printed Calendar, on the Order of Senate Bills 3rd Reading, the middle of the page, we have Senate Bill 1894. Senator Hutchinson. Indicates she wishes to proceed. Mr. Secretary, please read the bill.

SECRETARY ANDERSON:

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Senate Bill 1894.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

Thank you, Mr. President and Members of the Senate. Senate Amendment No. 2 deletes all and becomes the bill. The bill amends the Property Tax Code and increases the general homestead exemption for Cook County by one thousand dollars, to seven thousand. The bill also increases the senior citizen homestead exemption statewide by one thousand, to five thousand. This change will be reflected in Cook County in the property tax bills that'll be mailed out in June. The rest of the State will see changes reflected in next year's tax bills. I'd urge an Aye vote.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Is there any discussion? Is there any discussion? Seeing none, Ladies and Gentlemen, the question is, shall Senate Bill 1894 pass. All those in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Mr. Secretary, take the record. On that question, there are 54 voting Aye, 0 voting Nay, 0 voting Present. Senate Bill 1894, having received the required constitutional majority, is declared passed. Ladies and Gentlemen, still on page 15 -- or, excuse me, on page 15 of the printed Calendar, in the middle of the page, we have House Bills 3rd Reading. We have House Bill 1588. Senator Martinez. Indicates she wishes to proceed. Mr.

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Secretary, please read the bill.

SECRETARY ANDERSON:

House Bill 1588.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Martinez.

SENATOR MARTINEZ:

Thank you, Mr. President, Members of the Senate. House Bill 1588 reduces the Rental Housing Support Program surcharge by a dollar for the recording of any real estate -- real estate-related documents. It also adds a dollar surcharge for the record -- recording of certain real estate-related documents, which will be split evenly between the County General (Revenue) Fund and the Recorder's Automatic {sic} (Automation) Fund or in the County Recorder's Document Storage System Fund for counties with over one million people. The bill also changes which fund the one-dollar surcharge goes into and the -- states legislative findings regarding the Rental Housing Supporting -- Support Program Act. It is -- this bill is net fee neutral. There is no increase in any kind of fees in this bill. And I'll be happy to answer any questions.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Is there any discussion? Senator McCarter, for what purpose do you rise?

SENATOR McCARTER:

Question of the speaker, please.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Indicates she will yield, Senator McCarter.

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SENATOR McCARTER:

Senator, is -- are you aware of any court case pending that could have an effect on this? And if so, can you explain that court case and its relevance?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Martinez.

SENATOR MARTINEZ:

Thank you, Mr. -- Senator McCarter. The -- the conversion court {sic} (count) was dismissed, but the first two months {sic} remain, and the defendant class was certified. That means that whatever the Lake County Circuit Court decides will apply statewide. Most recently, a motion has been filed for leave to file a further motion to certify the plaintiff class and place the collected fee revenues in escrow, pending adjudication of the complaint in the merits. That would be -- that would really hurt the -- the -- the landlords and people who are subsidized out there, if we don't take care of this today.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator McCarter.

SENATOR McCARTER:

To the bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

To the bill, Senator McCarter.

SENATOR McCARTER:

I think, given how advanced this has gone in the courts, I think it's better for us to let them -- let them rule on this, and if then we have to come back and make that clear as to what the -- what the law states, we should do that later. So I would encourage a No vote.

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PRESIDING OFFICER: (SENATOR SULLIVAN)

Seeing no further discussion, Ladies and Gentlemen, the question is, shall House Bill 1588 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? Mr. Secretary, take the record. On that question, there are 40 voting Aye, 13 voting Nay, 0 voting Present. House Bill 1588, having received the required constitutional majority, is declared passed. Ladies and Gentlemen, if you'll turn to page 16 of your printed Calendar, on the Order of Secretary's Desk, Resolutions. On the middle of page 16, Secretary's Desk, Resolutions, we have Senate Resolution 75. Senator Manar. Mr. Secretary, please read the resolution.

SECRETARY ANDERSON:

Senate Resolution 75, offered by Senator Manar.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Manar, on your resolution.

SENATOR MANAR:

Thank you, Mr. President. Senate Resolution 75 simply marks March as Poison Control {sic} Prevention Month in the State of Illinois. Ask for a favorable -- vote, excuse me, on the resolution.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Is there any discussion? Is there any discussion on the resolution? Seeing none, the question is, shall Senate Resolution 75 pass. All those in favor will say Aye. Opposed, Nay. The Ayes have it, and the -- and the resolution is adopted. Ladies and Gentlemen, Supplemental Calendar No. 1 is being distributed. We're going to go to that

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order here momentarily. Okay, Ladies and Gentlemen, Supplemental Calendar No. 1 has been distributed and on the Order of Supplemental Calendar No. 1 is the Order of Consideration Postponed. This is final action. As the bills on this Order have already been presented and debated on the Floor, debate on each bill will be limited to one proponent and one opponent, each speaking to the bill. Senate Bill 1. President Cullerton. Indicates he wishes to proceed. Mr. Secretary, please read the motion.

SECRETARY ANDERSON:

Senate Bill 1.

PRESIDING OFFICER: (SENATOR SULLIVAN)

President Cullerton. President Cullerton, just one second, please. Ladies and Gentlemen, we just have to let a little -- little paperwork catch up to us. Just one second.

SECRETARY ANDERSON:

Senate Bill 1.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

President Cullerton.

SENATOR J. CULLERTON:

Thank you, Mr. President. Obviously, this is the bill that we just debated. Obviously, this is a very tough vote for many people. I think everybody knows what's in the bill. I can't emphasize enough the importance of passing a pension reform bill. It's not often you can push a green button and save eighteen to forty billion dollars over the next thirty years. We need to start with pension reform. We need to pass a bill

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over to the House and put them on notice that we're serious. I would hope that we could have a bipartisan vote. If we can't yet, we'll eventually get there, but we need to pass this bill now. So I would ask for an Aye vote.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. As I indicated earlier, there could be one opponent. Is there any Members wishing to seek recognition? Seeing none, Ladies and Gentlemen, the question is, shall Senate Bill 1 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? Mr. Secretary, take the record. On that question, there are 30 voting Aye, 22 voting Nay, 2 voting Present. Senate Bill 1, having received the required constitutional majority, is declared passed. Next order of business is Senate Bill 1544. Out of the record. Mr. Secretary, Committee Reports.

SECRETARY ANDERSON:

Senator Holmes, Vice-Chairperson of the Committee on Labor and Commerce, reports Senate Bills 1190 and 1568 Do Pass; and Senate Bill 1708 Do Pass, as Amended.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Mr. Secretary, Resolutions.

SECRETARY ANDERSON:

Senate Resolution 173, offered by Senator Murphy and all Members.

Senate Resolution 174, offered by Senator Murphy and all Members.

They are both death resolutions, Mr. President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

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Resolutions Consent Calendar. Mr. Secretary, Resolutions. SECRETARY ANDERSON:

Senate Resolution 172, offered by Senator Collins.

It is substantive.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Ladies and Gentlemen, the Senate will stand at -- in recess to the call of the Chair. After committee meetings, the Senate will reconvene to receive committee reports. Senate stands in recess.

(SENATE STANDS IN RECESS/SENATE RECONVENES)

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senate will come to order. Senator Clayborne, for what purpose do you rise?

SENATOR CLAYBORNE:

Thank you, Mr. President. On that last vote, Senate Bill 1, as amended, I wanted to be recorded as a Present.

PRESIDING OFFICER: (SENATOR SULLIVAN)

The record will so indicate your intention. Senate will stand at -- stand in recess to the call of the Chair.

(SENATE STANDS IN RECESS/SENATE RECONVENES)

PRESIDING OFFICER: (SENATOR TROTTER)

Senate will come to order. Mr. Secretary, are there any committee reports?

SECRETARY ANDERSON:

Yes. Committee Report Correction - Senator Sandoval,

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Chairperson of the Committee on Transportation, reports the following, omitted from the Committee's report of March 19th, 2013: Senate Bill 1828 Do Pass.

Senator Martinez, Chairperson of the Committee on Licensed Activities and Pensions, reports Senate Bill 92, Senate Bill 1921 and Senate Bill 2218 Do Pass; Senate Bill 1217 and Senate Bill 2255 Do Pass, as Amended.

Senator Landek, Chairperson of the Committee on State Government and Veterans Affairs, reports Senate Bill 2221 Do Pass; Senate Bills 1256, 1352, 1723, 1884, and 2226 Do Pass, as Amended; Senate Amendment 2 to Senate Bill 1323 Recommend Do Adopt; and House Bill 986 and 1209 Do Pass.

Senator Harmon, Chairperson of the Committee of Executive, reports Senate Bills 3 through 8, Senate Bills 11 through 19, Senate Bills 115 through 201, Senate Bills 205 through 221, Senate Bills 223 through 271, Senate Bill 272, Senate Bills 273 through 331, Senate Bill 334, Senate Bill 335, Senate Bills 337 through 446, Senate Bills 448 through 491, Senate Bills 495 through 571, Senate Bill 573, Senate Bill 575 through 621, Senate Bills 625 through 711, Senate Bills 713 through 736, Senate Bills 739 through 821, Senate Bills 823 through 921, Senate Bills 925 through 1002, Senate Bill 1003, Senate Bills 1004 through 1041, Senate Bills {sic} 1042, Senate Bills 1043 through 1096, Senate Bills 1098 through 1151, Senate Bill 1431, Senate Bill 1493, Senate Bill 1551 through 1560, Senate Bills {sic} 1584, Senate Bill 1738, Senate Bill 1788, Senate Bill 1855, Senate Bill 1859, Senate Bill 1920, Senate Bill 1934, Senate Bills 1962 through 2138, Senate Bill 2363 Do Pass; Senate Bills {sic} 494, Senate Bill 1361, Senate Bill 1514, Senate Bill

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1585, Senate Bill 1594, Senate Bill 1847, Senate Bill 1922, Senate Bill 1937, Senate Bill 1954 and Senate Bill 1955 Do Pass, as Amended.

Senator Haine, Chairperson of the Committee of Insurance, reports Senate Bill -- Senate Bills 1194, 1547, 1775, 1873 and 2366 Do Pass; and Senate Bills 1630, 1718, 2178 and 2339 Do Pass, as Amended; and House Bill 991 Do Pass.

PRESIDING OFFICER: (SENATOR TROTTER)

Mr. Secretary, Resolutions.

SECRETARY ANDERSON:

Senate Resolution 175, offered by Senator McCann and all Members.

It's a death resolution, Mr. President.

PRESIDING OFFICER: (SENATOR TROTTER)

Resolutions Consent Calendar. Senate will come to order. Committee Reports.

SECRETARY ANDERSON:

Senator Hutchinson, Chairperson of the Committee on Revenue, reports Senate Bills 1432 and 2258 Do Pass; Senate Bills -- 333, 336, 1162, 1403, 1448, 1519, 1740, 2194 and 2256, 2257 and 2345 Do Pass, as Amended; Senate Amendment 1 to Senate Bill 1228, Senate Amendment 1 to Senate Bill 1801 and Senate Amendment 2 to Senate Bill 1953 Recommend Do Adopt; House Bill - House Bills 192 and 1188 Do Pass.

PRESIDING OFFICER: (SENATOR TROTTER)

On Supplemental Calendar No. 2, on the Order of Senate Bills -- House Bills 2nd Reading, House Bill 1188. Senator Harmon. Please read the bill, Mr. Secretary.

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House Bill 1188.

(Secretary reads title of bill)

2nd Reading of the bill. No committee or Floor amendments reported.

PRESIDING OFFICER: (SENATOR TROTTER)

3rd Reading. There being no further business to come before the Senate, the Senate stands adjourned until the hour of 12 p.m. on the 21st day of March, 2013. The Senate stands adjourned.