

STATE OF ILLINOIS



HOUSE JOURNAL

HOUSE OF REPRESENTATIVES

NINETY-FOURTH GENERAL ASSEMBLY

131ST LEGISLATIVE DAY

PERFUNCTORY SESSION

MONDAY, NOVEMBER 13, 2006

2:51 O'CLOCK P.M.

**HOUSE OF REPRESENTATIVES
Daily Journal Index
131st Legislative Day**

Action	Page(s)
Adjournment	8
Judicial Notes Supplied.....	4
Legislative Measures Approved for Floor Consideration.....	3
Legislative Measures Assigned to Committee	4
Motions Submitted	4
Resolutions.....	4

Bill Number	Legislative Action	Page(s)
HB 2067	Motion Submitted	4
HB 5377	Motion Submitted	4
HB 5835	Motion Submitted	4
HJR 0145	Resolution.....	8
HR 1496	Resolution	4
HR 1497	Resolution	5
SB 2737	Committee Report.....	4

The House of Representatives met in Perfunctory Session pursuant to notice from the Speaker.

LETTERS OF TRANSMITTAL

November 13, 2006

Mark Mahoney
Chief Clerk of the House
402 State House
Springfield, IL 62706

Dear Clerk Mahoney:

Pursuant to House Rule 9(a), by this letter I am establishing that the House of Representatives will have **Perfunctory time** on **Monday, November 13, 2006**.

With kindest personal regards, I remain

Sincerely Yours,
s/Michael J. Madigan
Speaker of the House

November 13, 2006

Mark Mahoney
Chief Clerk of the House
402 State House
Springfield, IL 62706

Dear Clerk Mahoney:

Please be advised that I am extending the Final Action Deadline to January 9, 2007 for the following House and Senate Bills:

House Bills: 4137, 4458, 5830 and 5839.

Senate Bills: 821, 2737 and 2966.

If you have questions, please contact my Chief of Staff, Tim Mapes, at 782-6360.

With kindest personal regards, I remain.

Sincerely Yours,
s/Michael J. Madigan
Speaker of the House

REPORT FROM THE COMMITTEE ON RULES

Representative Currie, Chairperson, from the Committee on Rules to which the following were referred, action taken on November 13, 2006, reported the same back with the following recommendations:

LEGISLATIVE MEASURES APPROVED FOR FLOOR CONSIDERATION:

That the bill be reported "approved for consideration" and be placed on the order of Second Reading--
Short Debate: SENATE BILL 2737.

LEGISLATIVE MEASURES ASSIGNED TO COMMITTEE:

Executive: HOUSE AMENDMENT No. 1 to HOUSE BILL 1896 and HOUSE RESOLUTION 1497.
Human Services: HOUSE BILL 5839.
Local Government: HOUSE BILL 5830.
Registration and Regulation: HOUSE BILL 4458 and SENATE BILL 2966.
Revenue: SENATE BILL 821.
State Government Administration: Motion to Concur with SENATE AMENDMENT No. 1 to HOUSE BILL 4137.
Transportation and Motor Vehicles: HOUSE RESOLUTION 1496 and HOUSE JOINT RESOLUTION 145.

The committee roll call vote on the forgoing Legislative Measures is as follows:
4, Yeas; 0, Nays; 0, Answering Present.

Y Currie,Barbara(D), Chairperson	A Black,William(R), Republican Spokesperson
Y Hannig,Gary(D)	Y Hassert,Brent(R)
Y Turner,Arthur(D)	

VETO MOTIONS SUBMITTED

Representative Munson submitted the following written motion, which was placed on the order of Motions:

MOTION #1

I move that HOUSE BILL 5377 do pass, the Veto of the Governor notwithstanding.

Representative Collins submitted the following written motion, which was placed on the order of Motions:

MOTION #1

I move that HOUSE BILL 2067 do pass, the Veto of the Governor notwithstanding.

MOTION SUBMITTED

Representative Black submitted the following written motion, which was placed on the order of Motions:

MOTION

Pursuant to Rule 18(g), I move to discharge the Committee on Rules from further consideration of HOUSE BILL 5835 and advance to the appropriate order of business.

JUDICIAL NOTES SUPPLIED

Judicial Notes have been supplied for HOUSE BILLS 1945, as amended, and 2013, as amended.

RESOLUTIONS

The following resolutions were offered and placed in the Committee on Rules.

HOUSE RESOLUTION 1496

Offered by Representative Colvin:

WHEREAS, The State of Illinois is the primary governmental entity responsible for the public safety and welfare of its citizenry; and

WHEREAS, The September 11, 2001 terrorist attacks on the U.S. prompted the nation to take additional actions to protect our key public facilities, infrastructure, and private assets; and

WHEREAS, The United States Congress created the Homeland Security Department in order to better coordinate the nation's response to terrorism and natural disasters, and this federal department allocates funds annually under the United States Homeland Security Act of 2002; and

WHEREAS, The Governor of the State of Illinois has allocated in fiscal year 2006 funds for various transit agencies and local governments to enhance homeland security; and

WHEREAS, Terrorists around the globe have targeted major urban public transit systems as strategic targets for their attacks; and

WHEREAS, The CTA operates the nation's second largest public transportation system, serving the city of Chicago and 40 surrounding suburbs, with nearly 1.5 million rides taken by the public on the CTA on an average weekday; and

WHEREAS, The CTA has approximately 2,000 buses that operate over 153 routes and 2,273 route miles, providing about 1 million passenger trips a day and serving more than 12,000 posted bus stops; while CTA's 1,190 rapid transit cars operate over eight routes and 222 miles of track, providing approximately 500,000 customer trips each day at 144 stations; and

WHEREAS, Chicago is one of the few cities in the world that provide rapid transit service to two major airports; and

WHEREAS, The State of Illinois, the County of Cook, and the City of Chicago recognize the CTA as one of the city's and the region's major public assets and a high priority for enhanced protection as part of the city's homeland security, disaster, and terrorist response planning; and

WHEREAS, Two recent derailments of CTA rapid transit trains, along with the 2006 Metra Electric derailment, underscored the potential vulnerability of transit riders and our public transportation system to disasters; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-FOURTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we support the call for disaster relief and the restoration of conductors along key portions of the CTA's Rapid Transit Systems for the purpose of securing public transportation as a vital public asset; and be it further

RESOLVED, That a separate comprehensive system shall be established to provide security for mass transit systems statewide; and be it further

RESOLVED, That suitable copies of this resolution be delivered to the Governor, the President of the Cook County Board, and the Mayor of Chicago.

HOUSE RESOLUTION 1497

Offered by Representative Madigan:

WHEREAS, Hospital construction is booming, according to the USA Today news report (January 3, 2006) that the United States is "in the middle of the biggest hospital-construction boom" in more than 50 years, a trend that likely will increase use of "high-tech medicine and add fuel to rising health care costs"; the report indicated that the hospital industry has spent almost \$100 billion in inflation-adjusted dollars in the past 5 years on new facilities, a 47% increase from the previous 5 years, with spending likely to reach a record \$23.7 billion in 2005, according to the Census Bureau; and

WHEREAS, State and federal authorities have historically expressed alarm about spiraling health care costs and implemented various strategies to contain those costs, including "Certificate of Need" programs aimed at controlling excessive capital expenditures by health care corporations that contribute to higher health facility operating costs; and

WHEREAS, Concerns about health care inflation caused New York to enact the first "Certificate of Need" law in 1966 in response to health insurers' and business leaders' concerns about an excessive number of hospital beds contributing to increasing costs; and

WHEREAS, Rising health care costs also prompted the United States Congress to enact the Comprehensive Health Planning Act in 1966, which required the establishment of local and state health

planning agencies; states that already had planning agencies were required to expand the scope and authority of these agencies; and

WHEREAS, Federal authorities began to recognize that the major infusion of federal funds into the existing health care system and payment methodologies of the Medicaid and Medicare programs contributed to inflationary increases in the cost of health care; the system provided little incentive for cost reduction; state and federal policy makers believed then that excess facility supply led to increased costs of business, and that those increased costs would be passed on to patients; health planning and strict "Certificate of Need" laws were supposed to constrain supply and therefore control prices; and

WHEREAS, Policy makers also believed that the tremendous growth in federal health care spending was a major factor that contributed to the poor distribution and utilization of health care facilities; early health planning and "Certificate of Need" laws were supposed to control the geographic distribution of health care and ensure more efficient and full utilization of health care facilities and equipment; and

WHEREAS, These concerns resulted in the 1972 amendments to the federal Social Security Act that required all states to review health care capital expenditures in excess of \$100,000; non-compliance would result in the denial of Medicare and Medicaid reimbursements for capital expenditures; this federal law effectively became the national "Certificate of Need" law; and

WHEREAS, The U.S. Congress passed the National Health Planning and Resources Development Act in 1974, which directed each state to examine proposed health care facilities and "make findings as to the need for such services"; federal financial participation in the cost of Medicaid and Medicare would be withheld if a state did not comply; and

WHEREAS, Every state and the District of Columbia enacted "Certificate of Need" laws and regulations to comply with federal law; and

WHEREAS, The federal government in 1986 reversed course and repealed the federal mandatory health planning law; since that time, 14 states repealed their laws; 36 states and the District of Columbia still have "Certificate of Need" laws; and

WHEREAS, Proponents argue that "Certificate of Need" laws regulate surplus capacity in health care facilities so that there is less duplication of services and lower operating costs; the higher cost of excess capacity is passed on to insurance companies and patients in the form of higher prices; by regulating the supply, surplus will be avoided; and

WHEREAS, Opponents argue that the law has not controlled costs, improved quality, or increased access to health care; it may block access to health care choices and to modernized health care facilities; opponents also claim that "Certificate of Need" laws constitute over-regulation and are harmful to the economy, and that health care should be subject to the same market forces that determine the quality, availability, and price of other goods and services; and

WHEREAS, The Federal Trade Commission (FTC) and the Department of Justice (July 2004) reported: (a) that "Certificate of Need" programs pose serious competitive concerns that generally outweigh their benefits; (b) that there is considerable evidence that they can actually drive up prices by fostering anticompetitive barriers to entry; (c) that this process has the effect of shielding incumbent health care providers from new entrants, which can increase health care costs, as supply is depressed below competitive levels; (d) that these programs can retard entry of firms that could provide higher quality services; and (e) that these programs have been ineffective in controlling costs because they do not put a stop to "supposedly unnecessary expenditures" and merely "redirect any such expenditures into other areas"; and

WHEREAS, The American Health Planning Association refuted the FTC criticism of "Certificate of Need" programs, claiming that there is little analytical or factual basis for the criticism or for the recommendation to eliminate them; little evidence is presented to demonstrate that market forces have had, or are likely to have, the positive effects in the health care system; the argument that planning and "Certificate of Need" regulation result in higher costs and prices, inferior quality, reduced access, less innovation, and lower operating efficiency, though repeatedly made, is not supported by demonstrated facts; "Certificate of Need" regulation, with related community-based planning, is one of the few tools that policymakers, health system officials, and ordinary citizens have available for use in trying to compensate for known weaknesses and deficiencies in the existing health care system; these decision-making processes provide a unique forum where all interested parties, and ordinary citizens, can express their views and state their needs; this oversight identifies critical quality, cost, and access concerns that are important to consumers; and

WHEREAS, The Illinois Health Facilities Planning Act (20 ILCS 3960/) became effective in 1974; it created a 13-member Health Facilities Planning Board to review the necessity of capital expenditures for

the establishment or modification of health facilities and the procurement of medical equipment; entities subject to the Illinois Health Facilities Planning Act include licensed and state-operated hospitals, long-term care facilities, dialysis centers, ambulatory surgery centers, and alternative health care delivery models; facilities operated by the federal government are exempt; under current law, transactions requiring a permit include any construction or modification by or on behalf of a health care facility exceeding the expenditure minimum (\$7,167,063) for projects that result in a substantial increase in a facility's bed capacity, for projects that result in a substantial change in the scope or functional operation of a facility, and for projects that establish or discontinue a facility or category of service; in addition, the acquisition of major medical equipment (valued at more than \$6,573,026) or health and fitness centers (valued at more than \$3,267,766) requires a permit or exemption; and

WHEREAS, Proposals to repeal Illinois' law have not been enacted, but there has been a substantial reorganization of the Board; proponents have successfully argued that, although the Board has not historically denied many projects, the review process requires applicants to more carefully develop and scale their projects to established criteria and standards of need; many existing hospitals and the communities they serve have generally supported the "Certificate of Need" law, because elimination could jeopardize their economic vitality by a radical proliferation or expansion of unnecessary facilities; and

WHEREAS, The 93rd General Assembly restructured the Board; Senate Bill 1332 (P.A. 93-0041) was enacted after extensive debate about the history and performance of the Board and in response to proposals for its complete elimination; the new law replaced the 13-member board with an entirely new 9-member board appointed by the Governor with no requirements that they represent particular interests; the law also changed various operating policies and procedures of the Board and established a "Sunset" (repeal date) of July 1, 2008; and

WHEREAS, A major scandal involving conflicts of interest and criminal indictments of a Board member for "influence peddling, kickbacks, and other corrupt actions" by parties involved in applications subject to review prompted the Governor and General Assembly to reduce the size and makeup of the Board and to impose more strict membership requirements; to prevent conflicts-of-interest, the law now provides that no person can be appointed, or continue to serve as a member of the Board, who is, or whose spouse, parent, or child is, a member of the Board of Directors of, has a financial interest in, or has a business relationship with a health care facility; provisions were also added restricting ex parte communications by board members and staff to protect against influence peddling; the 93rd General Assembly enacted House Bill 7307 (P.A. 93-889) to restructure the Health Facilities Planning Board again; the membership was reduced to 5 members and all members were completely replaced; the status of the entire "certificate-of-need" law was also going to be subject to reconsideration under a new "Sunset" date of July 1, 2006; this date was set to allow more time for evaluation of the Board's operations, to provide an opportunity for the Board to implement major rule changes intended to streamline and clarify the existing review process, and to develop and report meaningful data regarding its performance and effectiveness; and

WHEREAS, The 94th General Assembly subsequently enacted Senate Bill 2436 (P.A. 94-983) that extended the "Sunset" date once again to April 1, 2007, so that the status of the Board and the "Certificate of Need" program can be subject to further, and more intensive, evaluation, given the acceleration of health facility capital expenditures, the national trends of such health care regulation, continuing concerns about increasing health care costs, the need for more effective cost containment, and the controversial history of Illinois' current system; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-FOURTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that the Illinois Commission on Government Forecasting and Accountability shall conduct a comprehensive evaluation of the Illinois Health Facilities Planning Act, including a review of the performance of the Illinois Health Facilities Planning Board, to determine if it is meeting the goals and objectives that were originally intended in the enactment of the law and the establishment of the Board, and as the law has been amended and the Board policies and procedures revised since that time, with special consideration for its affect on controlling unnecessary and excessive capital expenditures that may be contributing to health care inflation; the Commission shall determine the criteria, standards, and procedures for this independent evaluation; the Commission must conduct an objective analysis of the impact of the "Certificate of Need" program since its inception 32 years ago; and be it further

RESOLVED, That the Commission issue a report to the General Assembly of its findings by February 15, 2007, together with any recommendations for change to the Illinois Health Facilities Planning Act and the structure, function, policies, and procedures of the Illinois Health Facilities Planning Board.

HOUSE JOINT RESOLUTION 145

Offered by Representative Colvin:

WHEREAS, The State of Illinois is the primary governmental entity responsible for the public safety and welfare of its citizenry; and

WHEREAS, The September 11, 2001 terrorist attacks on the U.S. prompted the nation to take additional actions to protect our key public facilities, infrastructure, and private assets; and

WHEREAS, The United States Congress created the Homeland Security Department in order to better coordinate the nation's response to terrorism and natural disasters, and this federal department allocates funds annually under the United States Homeland Security Act of 2002; and

WHEREAS, The Governor of the State of Illinois has allocated in fiscal year 2006 funds for various transit agencies and local governments to enhance homeland security; and

WHEREAS, Terrorists around the globe have targeted major urban public transit systems as strategic targets for their attacks; and

WHEREAS, The CTA operates the nation's second largest public transportation system, serving the city of Chicago and 40 surrounding suburbs, with nearly 1.5 million rides taken by the public on the CTA on an average weekday; and

WHEREAS, The CTA has approximately 2,000 buses that operate over 153 routes and 2,273 route miles, providing about 1 million passenger trips a day and serving more than 12,000 posted bus stops; while CTA's 1,190 rapid transit cars operate over eight routes and 222 miles of track, providing approximately 500,000 customer trips each day at 144 stations; and

WHEREAS, Chicago is one of the few cities in the world that provide rapid transit service to two major airports; and

WHEREAS, The State of Illinois, the County of Cook, and the City of Chicago recognize the CTA as one of the city's and the region's major public assets and a high priority for enhanced protection as part of the city's homeland security, disaster, and terrorist response planning; and

WHEREAS, Two recent derailments of CTA rapid transit trains, along with the 2006 Metra Electric derailment, underscored the potential vulnerability of transit riders and our public transportation system to disasters; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-FOURTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that we support the call for disaster relief and the restoration of conductors along key portions of the CTA's Rapid Transit Systems for the purpose of securing public transportation as a vital public asset; and be it further

RESOLVED, That a separate comprehensive system shall be established to provide security for mass transit systems statewide; and be it further

RESOLVED, That suitable copies of this resolution be delivered to the Governor, the President of the Cook County Board, and the Mayor of Chicago.

At the hour of 2:55 o'clock p.m., the House adjourned until Tuesday, November 14, 2006, at 1:00 o'clock p.m.