

85TH GENERAL ASSEMBLY

REGULAR SESSION

November 16, 1988

PRESIDING OFFICER: (SENATOR DEMUZIO)

The hour of one-thirty having come and gone, the Senate will come to order. The members will be at their seats, our guests in the gallery will please rise. Prayer this afternoon will be by Senator Margaret Smith. Senator Smith.

SENATOR SMITH:

(Prayer given by Senator Smith)

PRESIDING OFFICER: (SENATOR DEMUZIO)

(Machine cutoff)...of the Journal. Senator Vadalabene.

SENATOR VADALABENE:

Yes, thank you, Mr. President and members of the Senate. I move that reading and approval of the Journals of Thursday, November 10th and Tuesday, November 15th, in the year 1988, be postponed pending arrival of the printed Journals.

PRESIDING OFFICER: (SENATOR DEMUZIO)

All right. You've heard the motion as posed by Senator Vadalabene. Those in favor will indicate by saying Aye. Opposed Nay. The Ayes have it. So ordered. Senator Zito, for what purpose do you arise?

SENATOR ZITO:

Yes, thank you, Mr. President and members. I would like the Senate to join me in welcoming a group from my district from West Liden High School with their sponsor and teacher Mr. Cisco. They're up in the gallery on the Democratic side. Please join me in welcoming them, my best friend, Dan, as well.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Will our guests in the gallery please rise and be recognized by the Senate. Welcome to Springfield. Can I have your attention, please. Will the Senate come to order. Senator DeAngelis and Senator Kelly have some special guests.

SENATOR DeANGELIS:

(Machine cutoff)...you, Mr. President. Today I am pleased to introduce the state champions of the Babe Ruth

League in the State of Illinois and they are from South Holland. Not only are they the state champions, but they were also the regional champions in the Ohio Valley and they went on to the national championships, the World Series of Babe Ruth, and came in third, an exceptional feat in the light that there were three thousand teams competing in this division. I would like the General Assembly of...the Senate of the General Assembly to please welcome the Babe Ruth champions from South Holland, Illinois, whose community rests in both my district and Senator Kelly's district and Representative Piel's district. Please welcome them to Springfield. And I would like to have their coach, Chet Gronowski, to please introduce the team, and I want the Senate to pay particular attention to the number of Italian baseball players there are on this team.

COACH CHET GRONOWSKI:

(Remarks by Coach Chet Gronowski)

SENATOR DeANGELIS:

I also think we ought to give a note of thanks and appreciation to the people who really made it possible and that is the parents who are sitting up there behind the gallery on our left. Would you please stand and be recognized also. Thank you, Coach. Thank you for coming...team, thanks a lot. Good luck to you.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Ladies and gentlemen, if I could have your attention again, please. Senator Kustra, if I could have your attention. We have another special guest with us today. Visiting with us is Cy Chang, the Secretary General of the Coordinating Council for North American Affairs from Taiwan, the Republic of China.

CY CHANG:

(Remarks by Cy Chang)

PRESIDING OFFICER: (SENATOR DEMUZIO)

(Machine cutoff)...Information Service has requested permission to record. Is leave granted? Leave is granted. So ordered. Resolutions.

SECRETARY:

(Machine cutoff)...Resolution 1381 offered by Senator Severns.

Senate Resolution 1382 offered by Senator Smith.

Senate Resolution 1383 offered by Senator...Senators Weaver and all members.

Senate Resolution 1384 offered by Senators Hall, President Rock and all members.

Senate Resolution 1385 offered by Senator Topinka.

They're all congratulatory.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Consent Calendar. Resolutions.

SECRETARY:

Senate Joint Resolution 174 offered by Senator D'Arco, it is substantive.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator D'Arco, for what purpose do you move...

SENATOR D'ARCO:

(Machine cutoff)...I would move this...to suspend the rules for the immediate consideration of...Senate Joint Resolution 174.

PRESIDING OFFICER: (SENATOR DEMUZIO)

All right. Senator D'Arco has moved for the immediate consideration and adoption of Senate Joint Resolution 174. Is there discussion? Senator Fawell.

SENATOR FAWELL:

Would...would the sponsor yield for a question?

PRESIDING OFFICER: (SENATOR DEMUZIO)

Sponsor indicates he will yield. Senator D'Arco.

SENATOR FAWELL:

Would you mind telling us what this resolution is all

about?

PRESIDING OFFICER: (SENATOR DEMUZIO)

All right. Senator D'Arco.

SENATOR D'ARCO:

I would mind...no, I'm sorry. I mean...I mean, I would not mind. Oh, you want me to do it now? All right. This resolution...this is the resolution that created the task force on low income energy that we already passed and we had eleven members on this task force. Now, the Governor's Office and the public interested parties and the utilities all agree that we need fourteen members instead of eleven because we want to put some of the utility personnel on this task force to represent the utilities. So we have everybody that's involved in energy on this task force; the consumers, the politicians and the utilities all together on this task force. So it requires another three members to accomplish that goal and that's what we're doing.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Karpziel.

SENATOR KARPIEL:

Thank you, Mr. Speaker. I concur on this resolution. It's a...a good move. What we're really trying to do is to get some members of the agencies that deliver the services on this board.

PRESIDING OFFICER: (SENATOR DEMUZIO)

All right. It was the Chair's understanding that this resolution, in fact, had been talked about and agreed to by both sides. Senator D'Arco has moved to...has moved the adoption of Senate Joint Resolution 174. Further discussion? If not, those in favor will indicate by saying Aye. Opposed Nay. The Ayes have it. Senate Joint Resolution 174 is adopted. Resolutions.

SECRETARY:

Senate Joint Resolution 175 offered by Senators

Macdonald, Severns, Smith and Holmberg, it is substantive.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Executive. (Machine cutoff)...from the House.

SECRETARY:

A Message from the House by Mr. O'Brien, Clerk.

Mr. President - I am directed to inform the Senate that the House of Representatives has adopted the following joint resolution, in the adoption of which I'm instructed to ask the concurrence of the Senate, to-wit:

House Joint Resolution 217, it is congratulatory.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Consent Calendar. (Machine cutoff)...Jacobs, for what purpose do you arise?

SENATOR JACOBS:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. With leave of the Body, I'd like to be named as the chief sponsor of House Bill 4256, removing Senator Netsch with her permission.

PRESIDING OFFICER: (SENATOR DEMUZIO)

All right. You've heard the request. Senator Jacobs has requested leave to be the principal sponsor of House Bill...I'm sorry, 4-2-5-6, Senator, in place of Senator Netsch. Is leave granted? Leave is granted. So ordered. On your regular Calendar, page 11,...regular Calendar, page 11, motions in writing, override total vetoes, the middle of your page, Senate...is Senate Bill 566. Senator Brookins, are you prepared to...(machine cutoff)...Bill 566, Madam Secretary.

SECRETARY:

I move that Senate Bill 566 do pass, the veto of the Governor to the contrary notwithstanding. Filed by Senator Brookins.

PRESIDING OFFICER: (SENATOR DEMUZIO)

All right. Senator Brookins.

SENATOR BROOKINS:

Thank you, Mr. President. I move to override the Governor's veto of Senate Bill 566. As a health care goes to the home, the public needs to be protected from unskilled practitioners. As currently exists the national accreditation body but it is voluntarily. The results is that many respiratory therapists take the exam and many do not pass it, yet, hospitals continue to employ those who fail and do not take the exam. Also JCH accredited hospitals but no respiratory therapists is on the evaluation team. The respiratory therapist works under the supervisions of doctors and treats patients for twenty-four hours a day.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Pardon me, Senator Brookins, just a moment, please. All right, ladies and gentlemen, this is a motion to override the Governor's veto and I don't think we're quite understanding where we are at the moment. All right. Senator Brookins.

SENATOR BROOKINS:

And as previously stated, the bill generates approximately one million dollars in additional revenue for the state which will more than pay for the cost of the program. I ask for a favorable vote on this bill.

PRESIDING OFFICER: (SENATOR DEMUZIO)

All right. Discussion? Senator Ralph Dunn.

SENATOR RALPH DUNN:

Thank you, Mr. President and members of the Senate. This is still a bad bill. It was a bad bill when it was passed last year and when it was trying to been passed the last three or four years. The idea of respiratory therapists being a threat to the health and lives in danger, people who are in the hospitals is just a...a thing on their part in order to be licensed. We've had a lot of little...so they protect their jobs and it's just that simple. I would urge

that we sustain the Governor's veto and vote No on the override. We've had at least fourteen small hospitals close in downstate Illinois this past year and part of it is because of the increased cost of doing business. If we're going to license respiratory therapists, it just adds to the cost again of doing business. I would urge that we sustain the Governor's veto and vote No on the override motion.

PRESIDING OFFICER: (SENATOR DEMUZIO)

All right. Further discussion? Senator Etheredge.

SENATOR ETHEREDGE:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. I, too, rise in opposition to this motion. I do not believe that a case has been made, that there is any threat to the public's health and safety that would require the licensing of respiratory therapists; and one of the things that we know for sure is going to happen if we approve this motion to override and that is that we're going to increase the cost of health care in the State of Illinois. That is one thing we do not need to do. One of the things that our prior experience has taught us is that after we license a profession the...we reduce the available pool of people eligible to fill these positions, the vacancy rates go up and we find that all that we accomplish...rather than protecting health and safety is just to drive up health care costs. I urge a No vote on this motion.

PRESIDING OFFICER: (SENATOR DEMUZIO)

All right. Further discussion? Senator Geo-Karis.

SENATOR GEO-KARIS:

Mr. President and Ladies and Gentlemen of the Senate, we've had hospitals close, as one of the prior speakers...close because of costs and this is one of the unnecessary costs. Respiratory therapists work under the supervision of physicians and are employed by physicians in hospitals who can be expected to properly assess their qualifica-

tions. If this bill...if we override this veto, there is no money to fund such a licensing program and it really is unnecessary. If we're going to license everything, we're going to license...ourselves out of our skulls. I do feel that this is not a bill that we should override the veto on, and I'm happy to tell you I voted No when it first came here and I'm still voting No on it.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Further discussion? Senator Jones.

SENATOR JONES:

Yeah, thank you, Mr. President and members of the Senate. I support the sponsor's motion to override the Governor's veto. For those of you recall this piece of legislation, it passed overwhelmingly in the Senate by a 45 to 10 vote, but I know there's opposition from the hospitals as it relates to this issue. But those persons who go to the hospital and one time in your life you're going to have to go and maybe...from a heart attack or some other problems and you want a skilled, trained respiratory therapist there that know what they are doing rather than a person that...that doesn't know what they are doing. Hospitals are opposed to it because they don't want to pay the cost for having that trained person to do the job that they should do. This bill should...this motion should be overridden. It should receive a unanimous vote of this Body and I stand in support of the gentleman's motion.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Further discussion? Senator Schuneman.

SENATOR SCHUNEMAN:

Thank you, Mr. President. I rise in opposition to the motion. I've been a member of the committee that's heard this bill time after time after time; in my opinion, there's never been a shred of evidence submitted to that committee that shows the need for this kind of licensure. All we're doing is seeking to protect a group of people who want to

keep others out of their particular field of practice. The most rapidly growing cost in society today is the cost of health care, and if we want to do something about stemming that cost, we can help right here by defeating bills of this kind. This will do nothing more than increase the cost of health care in Illinois. I urge a No vote.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Further discussion? If not, Senator Brookins may close.

SENATOR BROOKINS:

I'd like to disagree with my good friend the Senator...Schuneman in licensing people that close out the field. I think that it's vice versa. When we license people it seems to be more available. We can take, for instance, lawyers. Lawyers we license and they're coming out of our hair. There's also licensed funeral directors, there's quite a few of them; license doctor, license insurance salesmen. So I disagree with you on that point. This is a good bill. Yes, as Senator Jones says, when we have trained people...and when you go to the hospital you want someone trained, you want them experienced and you want them competent. This will assure that. I...I ask for a favorable vote on this matter.

PRESIDING OFFICER: (SENATOR DEMUZIO)

The question is, shall Senate Bill 566 pass, the veto of the Governor to the contrary notwithstanding. Those in favor will vote Aye. Those opposed Nay. The voting is open. Have all voted who wish? Take the record. On that question, the Ayes are 29, the Nays are 26, none voting Present. Senate Bill 566 having failed to receive the required three-fifths vote is declared lost. (Machine cutoff)...Bill 1647, Senator Poshard. All right. Senate Bill 1647, Madam Secretary.

SECRETARY:

I move that Senate Bill 1647 do pass, the veto of the

Governor to the contrary notwithstanding. Filed by Senator Poshard.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Poshard.

SENATOR POSHARD:

Yes, thank you, Mr. President, Ladies and Gentlemen of the Senate. This bill creates the Rural Health Care Services Improvement Act and it was formulated for a very simple reason. First of all, many of the county...rural county ambulance services simply do not have enough money to sustain their service activities right now in this state. A large portion of the rural areas of this state are determined by the federal government at this point to be medically underserved areas. This bill would encourage a regional networking of ambulance services to form a more cost-efficient effective way of servicing the rural ambulances with our ambulance services. It would also establish a two hundred thousand dollar reserve pool to encourage and make possible the establishment of the regional ambulance services and make it possible for those counties who do not have an appropriate property tax base to support their ambulance services to sustain them in times when the ambulance services are in...in danger of going under. Three separate times over the last two years in my district alone we've had to come to the General Assembly for emergency appropriations just to keep rural ambulance services alive in our counties, and we just think that this bill would go a long way to providing the kind of cooperative, sharing attitude that the counties need to establish to make a more cost-efficient effective operation of our rural ambulances possible. I would encourage you to vote to override the Governor's veto of the bill.

PRESIDING OFFICER: (SENATOR DEMUZIO)

All right. Discussion? Senator Donahue.

SENATOR DONAHUE:

Thank you, Mr. President. I have a question of the sponsor.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Sponsor indicates he will yield. Senator Donahue.

SENATOR DONAHUE:

From my analysis it says...I support what you're trying to do, Glenn, and I apologize for this, but I understand the Governor has amended...has vetoed the money that would go along with this. Where will the funds come for to pay for the program?

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Poshard.

SENATOR POSHARD:

Well, Laura, we...we want to try also for an override of the appropriation. I'm not...to be honest with you, I can't tell you. It's like any other good thing we have here, we have to struggle with the funds as well as substantive legislation. I just think it's an appropriate concept that needs to be brought about in our rural areas because too many times our rural counties engage in wasteful practices in terms of ambulance service delivery. This would encourage them and give them...give them the incentive they need to formulate these regional plans so that we'd have a more cost-effective delivery system and lives would not be in danger and we wouldn't have the territoriality that we have now existing among these counties.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Donahue.

SENATOR DONAHUE:

Well, I understand that and I...I would have a question of you, Mr. President, and that would be is...will there be an opportunity to come back to the substantive side if the funding passes? If...if the funding passes, will we

have...and...will we have...an ability to come back to touch on the substantive side?

PRESIDING OFFICER: (SENATOR DEMUZIO)

This is...this is a...this is a Senate bill with respect to the motion. I don't know where the...the appropriation currently reposes, it may be in a House bill, I don't...I don't know the answer to that. My guess is is that after tomorrow...which would be the last day for Senate bills to be overridden; if we had not handled the appropriation by that period of time, the answer would be no. Senator Donahue.

SENATOR DONAHUE:

I realize...I have eight rural counties myself and I realize the problems that we're facing but until the money is...is available I would think we would have to vote No on this proposal.

PRESIDING OFFICER: (SENATOR DEMUZIO)

All right. Further discussion? If not, Senator Poshard may close.

SENATOR POSHARD:

Yes, thank you, Mr. President. The money is in the Department of Public Health's bill, and should the substantive bill pass here and the veto be overridden, we will attempt an override of the Department of Public Health's two hundred thousand dollar veto in that bill when it gets here. So I...I would appreciate a affirmative vote on this bill. I think it's worthy. I think it's a kind of thing we need to be promoting in the state. I would ask for your positive vote.

PRESIDING OFFICER: (SENATOR DEMUZIO)

The question is, shall Senate Bill 1647 pass, the veto of the Governor to the contrary notwithstanding. Those in favor will vote Aye. Those opposed will vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? All right. Have all voted who

SB 1532  
Spec. Recomm. No. 1  
of the flow.

wish? Take the record. On that question, the Ayes are 34, the Nays are 22, none voting Present. Senate Bill 1647 having failed to receive the required three-fifths vote is declared lost. (Machine cutoff)...page 11...bottom of page 11 is motions in writing to accept the specific recommendations for change is Senate Bill 1532. Senator Schaffer, you're ready? All right. Senate Bill 1532, Madam Secretary.  
SECRETARY:

(Machine cutoff)...move to accept the specific recommendations of the Governor as to Senate Bill 1532 in manner and form as follows. Amendment to Senate Bill 1532 in acceptance of Governor's recommendations. Filed by Senator Schaffer.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Schaffer.

SENATOR SCHAFFER:

Mr. President, members of the Senate, Senate Bill 1532 as it left the Senate was a very brief, simple bill which would have allowed principally the Village of Volo in western Lake County to have an opportunity to have a referendum on whether or not they wish to become a municipality. As sometimes happens in the process, by the time it reached the Governor's Desk it had picked up considerable weight and in the Governor's review of the bill in its final form they identified several problems which they have attempted to correct and I believe have corrected. Principally, the language here is at the request of the Attorney General and it involves cases in situations under which a court security fee can be assessed. The Governor's changes simply put the law in compliance with a recent Attorney General's Opinion. I don't think it's controversial. The Governor also changes the provision which would...allow the recapture of fees for a plat to provide for roadways when the subdivisions are platted to make that provision permissive instead of manda-

tory, and it also would allow the county...highway superintendent to provide for the specific proposals for upgrading nondedicated subdivision roads before a township...or before the county board voted to approve those standards. None of the changes, I believe, are controversial. I think they all make the bill and the other sections stronger and I think collectively are very much in the public interest, and I would appreciate a favorable roll call.

PRESIDING OFFICER: (SENATOR DEMUZIO)

All right. Discussion? Senator Geo-Karis.

SENATOR GEO-KARIS:

Sponsor yield for a question?

PRESIDING OFFICER: (SENATOR DEMUZIO)

Sponsor indicates he will yield. Senator Geo-Karis.

SENATOR GEO-KARIS:

I believe the original bill as you initiated it, Senator, was to allow certain areas to incorporate. Is that correct?

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Schaffer.

SENATOR SCHAFFER:

It was to allow certain areas the opportunity to have a referendum to incorporate if the voters so chose.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Geo-Karis.

SENATOR GEO-KARIS:

Is that provision still in the bill?

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Schaffer.

SENATOR SCHAFFER:

Yes.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Geo-Karis.

SENATOR GEO-KARIS:

And what is the...what is the...I don't have it in front

of me, what does it...just give me in essence...what requirement is there for incorporation?

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Schaffer.

SENATOR SCHAFFER:

In essence, what it does is allow the standards for municipalities to incorporate for counties under a hundred and fifty thousand to be applied to an area within, I believe, five miles of the border of a county over a hundred and fifty thousand but under five hundred thousand. As the...it's very carefully drawn specifically to allow the far western edge of Lake County, and the idea was to give the Village of Volo which is kind of an antique center an opportunity to have a referendum to incorporate if they so choose. They've got a lot of growth around them and some of the village fathers think they may have missed the boat a number of years ago by not becoming a municipality. This would allow the people to make the decision by referendum.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Further discussion? If not, the question is, shall the Senate accept the specific recommendations of the Governor as to Senate Bill 1532 in the manner and form just stated by Senator Schaffer. Those in favor will vote Aye. Those opposed will vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 54, the Nays are 3, none voting Present. The specific recommendations of the Governor as to Senate Bill 1532 having received the required constitutional majority vote of Senators elected are declared accepted. Page 12...page 12 is Senate Bill 1599, Senator Severns. Senator Severns, 1599? Madam Secretary, Senate Bill 1599.

SECRETARY:

I move to accept the specific recommendations of the

Governor as to Senate Bill 1599 in manner and form as follows. Amendment to Senate Bill 1599 in acceptance of Governor's recommendations. Filed by Senator Severns.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Severns.

SENATOR SEVERNS:

Thank you, Mr. President, members of the Senate. In Senator Joyce's absence and as a chief cosponsor, I am moving to accept the Governor's recommendations. In a nutshell they're just technical cleanup...it's just technical clean-up language and I would move for its adoption.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Discussion? Discussion? If not, the question is, shall the Senate accept the specific recommendations of the Governor as to Senate Bill 1599 in the manner and form as just stated by Senator Severns. Those in favor will vote Aye. Those opposed will vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 58, the Nays are none, none voting Present. The specific recommendations of the Governor as to Senate Bill 1599 having received the required constitutional majority vote of Senators elected are declared accepted. 1685, Senator Severns. 1685, Madam Secretary.

SECRETARY:

I move to accept the specific recommendations of the Governor as to Senate Bill 1685 in manner and form as follows. Amendment to Senate Bill 1685 in acceptance of Governor's recommendations. Filed by Senator Severns.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Severns.

SENATOR SEVERNS:

Thank you, Mr. President and members of the Senate. The main provisions of Senate Bill 1618...1685 as it relates to

the flexibility of financing have been gutted, unfortunately, but the provisions that have been left intact are provisions which provide greater flexibility to communities to put to work the Employee Stock Ownership Program now renamed the Emergency Business Retention Act. I'll be glad to answer any questions but I would move for approval.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Discussion? If not, the question is, shall the Senate accept the specific recommendations of the Governor as to Senate Bill 1685 in the manner and form as just stated by Senator Severns. Those in favor will vote Aye. Those opposed will vote Nay. The voting is open. Have all voted who wish? Take the record. On that question, the Ayes are 58, the Nays are none, none voting Present. The specific recommendations of the Governor as to Senate Bill 1685 having received the required constitutional majority vote of Senators elected are declared accepted. Senate Bill 1800, Madam Secretary. Senator Marovitz, 1800? Madam Secretary, Senate Bill 1800.

SECRETARY:

I move to accept the specific recommendations of the Governor as to Senate Bill 1800 in manner and form as follows. Amendment to Senate Bill 1800 in acceptance of Governor's recommendations. Filed by Senator Marovitz.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Marovitz.

SENATOR MAROVITZ:

Thank you, very much, Mr. President, members of the Senate. I would move that the Senate do accept the Governor's specific recommendations for change in Senate Bill 1800. The recommendations were technical in nature only; the wrong section of a Statute was referred to and the Governor changed the section to the correct section. It is strictly

technical. There's no substantive changes and I recommend that we accept the Governor's specific recommendations for change.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Discussion? Discussion? If not, the question is, shall the Senate accept the specific recommendations of the Governor as to Senate Bill...1800 in the manner and form as just stated by Senator Marovitz. Those in favor will vote Aye. Those opposed will vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 57, the Nays are none, none voting Present. The specific recommendations of the Governor as to Senate Bill 1800 having received the required constitutional majority vote of Senators elected are declared accepted. Senate Bill 1839, Senator Berman...1875, Senator Mahar. Senate Bill 1875, Madam Secretary.

SECRETARY:

I move to accept the specific recommendations of the Governor as to Senate Bill 1875 in manner and form as follows. Amendment to Senate Bill 1875 in acceptance of Governor's recommendations. Filed by Senator Mahar.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator...Senator Mahar.

SENATOR MAHAR:

Thank you, Mr. President. The Governor's action on Senate Bill 1875 restores the mechanism for fining public utilities who fail to pay or underpay...underpay their quarterly estimated income tax. An amendment that I had offered changed it from a...from monthly to daily and this restores it back to monthly. The Governor is...has identified, and I think correctly so, that...that in some cases that the fines would be usurious. During the next Session we plan to introduce legislation that will change the formula and will keep

the daily penalty. With that, I would move that we accept the specific recommendations for change by the Governor.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Discussion? Discussion? If not, the question is, shall the Senate accept the specific recommendations of the Governor...as to Senate Bill 1875 in the manner and form as just stated by Senator Mahar. Those in favor will vote Aye. Those opposed will vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 56, the Nays are none, none voting Present. The specific recommendations of the Governor as to Senate Bill 1875 having received the required constitutional majority vote of Senators elected are declared accepted. 2035, Senator Poshard. Senator Poshard on the Floor? All right. Senate Bill 2-0-3-5, Madam Secretary.

SECRETARY:

I move to accept the specific recommendations of the Governor as to Senate Bill 2035 in manner and form as follows. Amendment to Senate Bill 2035 in acceptance of Governor's recommendations. Filed by Senator Poshard.

PRESIDING OFFICER: (SENATOR DEMUZIO)

All right. Senator...Senator Marovitz, I inadvertently skipped you. We'll come back and pick you up. Senator Poshard.

SENATOR POSHARD:

Yes, thank you, Mr. President, Ladies and Gentlemen of the Senate. This is just simply a technical correction in this bill. It transfers jurisdiction over Fort Defiance State Historic Site from the Historic Preservation Agency to the Department of Conservation and designates it as a state park. All the agencies are agreed on this. This is just a technical correction in terms of some specific grammatical content of the bill.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Discussion? If not, the question is, shall the Senate accept the specific recommendations of the Governor as to Senate Bill 2035 in the manner and form as just stated by Senator Poshard. Those in favor will vote Aye. Those opposed Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 57, the Nays are none, none voting Present. The specific recommendations of the Governor as to Senate Bill 2035 having received the required constitutional majority vote of Senators elected are declared accepted. With leave of the Body, we'll go back and pick up Senate Bill 1996, Madam Secretary.

SECRETARY:

I move to accept the specific recommendations of the Governor as to Senate Bill 1996 in manner and form as follows. Amendment to Senate Bill 1996 in acceptance of Governor's recommendations. Filed by Senator Marovitz.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Marovitz.

SENATOR MAROVITZ:

Thank you, very much, Mr. President, members of the Senate. I would...I would move that the Senate do accept the Governor's specific...recommendations for change in Senate Bill 1996. 1996 amends the Juvenile Court Act and...Alcoholism and Other Drug Dependency Act relative to drug treatments for juveniles. Originally the...there was a mandate to give...to allow...to order courts to have drug treatment for juveniles that were convicted of drug offenses. The Governor was concerned about a revenue impact, changed the word "shall" to "may" to make it permissive rather than mandatory so that there be no additional mandatory expense, and I would accept the Governor's recommendation for change.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Discussion? The question is, shall the Senate accept the specific recommendations of the Governor as to Senate Bill 1996 in the manner and form as just stated by Senator Marovitz. Those in favor will vote Aye. Those opposed will vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 56, the Nays are none, none voting Present. The specific recommendations of the Governor as to Senate Bill 1996 having received the required constitutional majority vote of Senators elected are declared accepted. Senate Bill 2136, Madam Secretary.

SECRETARY:

I move to accept the specific recommendations of the Governor as to Senate Bill 2136 in manner and form as follows. Amendment to Senate Bill 2136 in acceptance of Governor's recommendations. Filed by Senator Barkhausen.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Senator Barkhausen.

SENATOR BARKHAUSEN:

Mr. President and members, the aspect of Senate Bill 2136 which was amendatorily vetoed by the Governor has to do with what are known as bulk sales which are the transfer or sale of assets of a business other than in the ordinary course of business. The amendment was requested by Revenue and worked out with the House sponsor. It requires notice to the Department of Revenue in the case of...of a bulk sales and the setting aside of sufficient funds to meet any unpaid tax liabilities and notice by the Department of Revenue to the...to the taxpayer or to the purchaser of the assets within ten days as to what...what the required escrowed amount should be. I ask that we accept the specific recommendations for change of the Governor as to Senate Bill 2136.

PRESIDING OFFICER: (SENATOR DEMUZIO)

Discussion? If not, the question is, shall the Senate

accept the specific recommendations of the Governor as to Senate Bill 2136 in the manner and form as just stated by Senator Barkhausen. Those in favor will vote Aye. Those opposed Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, the Ayes are 56, the Nays are none, none voting Present. The specific recommendations of the Governor as to Senate Bill 2136 having received the required constitutional majority vote of Senators elected are declared accepted.

PRESIDENT:

If you turn to page 11 on the Calendar, we have a series of motions in writing to override item vetoes. If any member wishes to call those...on the Order of Overriding Vetoes, page 11, motions in writing to override item vetoes. 2022, Senator Poshard. 2022, Senator Poshard. All right. This is the second motion, Madam Secretary. Yes, I'm sorry, Senator Etheredge.

SENATOR ETHEREDGE:

A point of order, Mr. President. My reading of Rule 54, it's my understanding that a sponsor of that bill...that these motions cannot be considered.

PRESIDENT:

Rule 54 says, "The motion of the sponsor shall be considered first and all other motions considered in the order filed. If the sponsor does not call a bill within eight Calendar days after the objections to a bill are entered in the Journal, any person filing such a motion may do it." Senator Etheredge.

SENATOR ETHEREDGE:

There have not been eight Calendar days, Mr. President, that's the point.

PRESIDENT:

Then...and...and your bill is Senate Bill 2022?

SENATOR ETHEREDGE:

That is correct.

PRESIDENT:

We will then hold it over until Thursday if the sponsor objects. Senator Poshard.

SENATOR POSHARD:

Mr...Mr. President, we will be holding the bill over until tomorrow?

PRESIDENT:

Till tomorrow. Tomorrow is the last day we are going to be here and...and the rule was set up to accommodate the sponsors of bills. The fact is that the schedule was also set up to accommodate the members. If you want to stay here days 13, 14 and 15 from the date of which we read these in, I'm perfectly prepared to stay, but the fact of the matter is we have to make some reasonable accommodation. So if the sponsor objects to being called today, we'll call it tomorrow. Tomorrow is the last day the Senate will be in Session for this fifteen-day period. Senator Geo-Karis.

SENATOR GEO-KARIS:

(Machine cutoff)...President and Ladies and Gentlemen of the Senate, there will be a Republican Caucus immediately after the Session in Senator Philip's offices.

PRESIDENT:

To which you're all cordially invited.

SENATOR GEO-KARIS:

Why not?

PRESIDENT:

All right. We're now on page 12, Senator Netsch. On the Order of Motions in Writing to Override Specific Recommendations, a motion filed on Senate Bill 1562. Madam Secretary.

SECRETARY:

I move that Senate Bill 1562 do pass, the specific recommendations of the Governor to the contrary notwithstanding.

Filed by Senator Netsch.

PRESIDENT:

Senator Netsch.

SENATOR NETSCH:

Thank you, Mr. President. Senate Bill 1562 is the bill that created an income tax refund account in the State Treasury into which would be transferred every month beginning in January a designated percentage of the individual and corporate income tax receipts computed to allow us to build up enough funding to be able to pay income tax refunds when they, in fact, are certified ready to be paid. It responded to a problem that every single one of us faced and that was constituents, both individual and corporate, who...who waited for months up to, as a matter of fact, I think probably a year or a year and a half now for their income tax refunds to be paid. In effect, the state has been balancing the budget in part on the backs of taxpayers whose money did not even belong to us in the first place. The bill, as you remember, passed unanimously. Somewhat to my surprise, the Governor used his amendatory veto to delay the effective date for another full year. We had worked with the Bureau of the Budget as well as all of the other state agencies up to the very end to make sure the bill was in good form, and to be perfectly honest, I did not expect the Governor to delay the effective date. For most of us this is an important matter of principle of fiscal policy. We do not want our constituents to be hung out to dry for another full year with...without the opportunity to get their income tax refunds on time. It is not going to be any easier next year to absorb what little cash flow problem there is from the bill than it is this year. So I think it is extremely important that we put this into place. I would add one thing that when the bill was designed it was designed on the basis that there would not be a tax increase this year, that is why we

started the set-aside in the month of January. That means that it will be starting during the months when the state is at its flushest in terms of cash receipts in the General Revenue Fund. I genuinely believe that we can...there is some cash...flow impact, by the way, I do not suggest otherwise. I genuinely believe we can absorb it, that it must be absorbed, that it will not do any great damage to the state's overall budget picture and that it...this Legislature has spoken loud and clear that we want this in place and we want it in place now. I would earnestly urge that we override the Governor's veto.

PRESIDENT:

Senator Netsch has moved to override the specific recommendations of the Governor with respect to Senate Bill 1562. Discussion? Senator Rigney.

SENATOR RIGNEY:

Well, Mr. President, you might expect that I would arise to uphold the Governor's position on this; but I wanted to tell you, I went throughout my district since June 30th talking to various Rotary Clubs and Lions Clubs and so forth, telling them what a good piece of legislation this was and how important it was and the fact that no one was going to have to wait for their refunds any longer. And, frankly, I haven't seen a good reason to uphold the Governor's position on this particular veto. So I want to let you know that I intend to support Senator Netsch in her motion.

PRESIDENT:

Further discussion? Any further discussion? If not, the question is, shall Senate Bill 1562 pass, the specific recommendations of the Governor to the contrary notwithstanding. Those in favor will vote Aye. Opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 57 Ayes, no Nays, none voting Present. Senate Bill

1562 having received the required three-fifths vote is declared passed, the specific recommendations of the Governor to the contrary notwithstanding. Ladies and gentlemen, before we move on to the Order of House Bills 3rd Reading, there is Supplemental Calendar No. 1. A number of members have filed additional motions. We'll ask of the sponsor whether or not they wish to proceed; if they don't, they will be shown on the Calendar for tomorrow. 1709, Senator Jones. 2022, there's already been an objection by the sponsor, we'll hold those till tomorrow. Motions in writing to restore item reduction, 1759, Senator Demuzio. All right. On the Order of Supplemental Calendar No. 1 under the Order of Motions in Writing to Restore Item Reductions, there's a motion filed with respect to Senate Bill 1759. Senator...Madam Secretary.

SECRETARY:

I move that the item on page 2, line 15 of Senate Bill 1759 do pass, the item reduction of the Governor to the contrary notwithstanding. Filed by Senator Demuzio.

PRESIDENT:

Senator Demuzio.

SENATOR DEMUZIO:

Well, thank you, Mr. President. This first motion is to restore fifty thousand dollars that the Governor reduced Senate Bill 1759 by. It would provide outreach for the Vietnam veterans. Frankly, I'm not privious to why the Governor reduced the...the amount of fifty thousand but I think that it is an opportunity for us to help Vietnam veteran organizations throughout Illinois and I would move that we restore the...the fifty thousand dollars in this reduction veto.

PRESIDENT:

All right. Senator Demuzio has moved for the restoration of an item in Senate Bill 1759. Discussion? Senator Donahue.

SENATOR DONAHUE:

Well, Mr. President, I apologize for objecting but I have a motion to file on my bill as the sponsor of the bill on the same motion to restore the fifty thousand. I'd like to hold it tomorrow if possible.

PRESIDENT:

Sponsor's objection under our rules is in order. The bill will be held. Take it out of the record, Madam Secretary. 1702, Senator Jones. 1839, Senator Kustra. 1856, Senator del Valle and 2050, Senator Schuneman. All right. The second page of Supplemental No. 1, ladies and gentlemen, there's a motion in writing to override the specific recommendations of the Governor with respect to Senate Bill 2050. Madam Secretary.

SECRETARY:

I move that Senate Bill 2050 do pass, the specific recommendations of the Governor to the contrary notwithstanding. Filed by Senator Schuneman.

PRESIDENT:

Senator Schuneman.

SENATOR SCHUNEMAN:

Thank you, Mr. President. Senate Bill 2050 is a Legislative Audit Commission bill and the purpose of the bill was to require the prompt deposit of state monies. The Governor issued...an amendatory veto to the bill that affected monies that are less than ten thousand dollars individually but total over ten thousand dollars, and the Governor recommended that the bill...that the clock begin to run on these deposits after the agency has completed its...its paper work in effect. To accept that...that amendatory veto would, in fact, defeat the purpose for which the bill was originally introduced. I've learned that the Governor issued his veto at the request of the Secretary of State's Office, so we've been in touch with their office trying to accommodate the

objections that they had to the bill. I think it's fair to say that the Secretary of State's Office would prefer not to have this veto...overridden but can offer no exact reasons why they can't work within the framework of this bill. In effect, what the law will do is say that an agency has to make these deposits within the twenty-four-hour period unless they have some reason that they think it isn't practical, then they go to the Comptroller and the...to the State Treasurer and ask for an exemption which can be granted under the bill. I think it's reasonable to override the Governor's veto and I so move.

PRESIDENT:

Senator Schuneman has moved to override the specific recommendations of the Governor as to Senate Bill 2050. Discussion? Is there any discussion? If not, the question is, shall the Senate...(machine cutoff)...shall Senate Bill 2050 pass, the specific recommendations of the Governor to the contrary notwithstanding. Those in favor will vote Aye. Opposed vote Nay. The voting is open. Have all voted who wish? Take the record. On that question, there are 56 Ayes, no Nays, none voting Present. Senate Bill 2050 having received the required three-fifths vote is declared passed, the specific recommendations of the Governor to the contrary notwithstanding. (Machine cutoff)...ladies and gentlemen, we have only a couple of matters remaining, if I can have your attention...Secretary informs me that additional motions in writing have been filed. The suggestion of the Chair, with leave of the Body, is that they be placed on the Calendar, we'll take them up tomorrow as we will with a number of others rather than try to get another supplemental out this afternoon. If I can have your attention, we'll move to page 2 on the Calendar to the Order of House Bills 3rd Reading. The rules have already been suspended with respect

HB 2533  
3rd Reading

to House Bill 2533. (Machine cutoff)...the Order of House Bills 3rd Reading is House Bill 2533. Read the bill, Madam Secretary, please.

SECRETARY:

House Bill 2533.

(Secretary reads title of bill)

3rd reading of the bill.

PRESIDENT:

Senator Zito.

SENATOR ZITO:

Yes, thank you, Mr. President and members. Yesterday we attached an amendment to House Bill 2533 that I think is desperately needed here in the State of Illinois. The purpose of the legislation now as...as amended is to permit financial institutions to issue credit cards with adjustable interest rates. The legislation will put Illinois on par with several states most notably Delaware and South Dakota that are quite unrestrictive in their credit card laws. While Illinois does not have an interest rate ceiling, restrictions against adjustable rates for interest cost and the twenty dollar maximum annual fee do exist here. Without such restrictions...thank you. Without such restrictions and the fact that the United States Supreme Court ruled that interest rates can be exported without regard to a state's usury laws, these other states have become major credit card issuing centers. We in Illinois need to strengthen our economic development of our financial institutions. Illinois based financial institutions are losing existing jobs and future job opportunities due to adverse regulatory climate. In order to secure these jobs the restrictions on such credit card laws need to be modernized to enhance the competitive advantage permitted financial institutions located in other states. I'd like to share with all of you just a couple of statistics of how Illinois is not competing at par with some

of these other states. I mentioned South Dakota and Delaware and I'd like to talk about the growth period between 1980 and 1987. During that growth period, the United States the total growth for a credit card loans was 72.4 billion dollars. South Dakota during that same period grew 12.3 billion dollars, Delaware, twenty-five billion dollars. Now both states together, Delaware and South Dakota, account for over fifty percent of credit card loan growth in the United States. Folks, we can't afford to lose that kind of growth. We can't afford to lose those kinds of jobs. As a matter of fact, there are several financial institutions here in the State of Illinois that have come to us this Senate and this General Assembly and said, look, we'd like to do business in Illinois. We would like to do business where our parent companies are, but if the law is not changed, we will be forced to go to Delaware and bring those jobs. They are talking about immediate...the immediate hiring of three thousand employees in the State of Illinois. We talked about credit card caps a year ago. I told you that the Boatman Bank down in Belleville had already vacated Illinois to go to South Dakota to operate their...credit card operation. We can't afford to lose that in Illinois. I would appreciate your support of this legislation and House Bill 2533. Be happy to answer any questions.

PRESIDENT:

Any discussion? Senator Berman.

SENATOR BERMAN:

Thank you, Mr. President. I have a question of the sponsor, if he'll yield.

PRESIDENT:

Sponsor indicates he will yield, Senator Berman.

SENATOR BERMAN:

Senator Zito, I want to pose the question involving existing balances when a interest rate would increase, and

let me give you a hypothetical so that I understand and others understand what my options would be as a holder of the variable rate credit card. Let us say that I have a variable rate credit card and I have made four hundred dollars worth of purchases and that's the current balance on my statement, and I get a letter from my credit card company and it says that they're going to increase the interest rate by one percentage point, that if I don't want to continue to use that card under the increased rate, I must dispose of that card, I can't use it anymore, do I have the option under this bill to dispose of my card, tear up my card, not use it anymore, but to pay off the old balance, the four hundred dollars, at the old rate in previously agreed to periodic payments.

PRESIDENT:

Senator Zito.

SENATOR ZITO:

...the answer is yes and I'd like to expound upon that. We talked about this yesterday privately, Senator, and I understand that you received a legal opinion from the Illinois Bankers' Association's attorney, Mr. Harvey Stevens, but on page...if you look at the amendment on page 7, line 23, it begins. The section from line 23 to line 29 I think explicitly answers that scenario in that hypothetical situation. If, in fact, a borrower does not want to adhere to the new interest rates or new agreements of the lender, he or she, in fact, can terminate their relationship and continue to pay off that loan at the old contract that was signed apparently at some point prior to this legislation. I think it's clear in that section and let me tell you another thing. I have talked to many financial institutions, I'm not so sure that any financial institution would want to, A, lose a customer or, B, the average...the average outstanding debt on credit cards nationwide is approximately four hundred dollars, I'm sure that they would like to continue to collect interest on

that outstanding balance along the way. So, in answer to your question, yes, they can adhere to the previous contract prior to this bill being passed.

PRESIDENT:

Further discussion? Senator Keats.

SENATOR KEATS:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. As minority spokesman on the committee, I met with Senator Zito and discussed this specific bill, and although as a fairly major far-reaching bill it should not be a terribly controversial one. It simply is a movement towards the free market with these credit rates which will not only generate jobs in Illinois but allow some of our Illinois institutions to be more competitive on the national level. That's the only point I wanted to make, and even though I would have preferred for this to have the normal committee hearing process, as Senator Zito, the chairman, pointed out, there was really no way we could do that because of the way it was brought forth and I would solicit your support. Thank you.

PRESIDENT:

Further discussion? Senator Hall.

SENATOR HALL:

Will the sponsor yield for a question? Senator Zito, I heard you made reference that a bank in Belleville that's in my district has changed their credit cards to somewhere outside of the United States...how did you...what was that term you give?

PRESIDENT:

Senator Zito.

SENATOR ZITO:

Yes, Senator Hall, when we were discussing placing caps on credit cards last year I had met with several individuals from the Boatman Bank in Belleville, which, in fact, is in

your district, and they said that if, in fact, caps were imposed or restrictions weren't lessened here in the State of Illinois that they would be forced to move their credit card operation and some six hundred jobs I believe was the figure, I can't recall exactly, but a number of jobs would be moved out of the State of Illinois because Illinois' laws were just simply too restrictive. I believe that the Boatman Bank still operates in Belleville but their credit card operation is in a different state and I believe it's South Dakota.

PRESIDENT:

Senator Hall.

SENATOR HALL:

Well, I'm...I'm interested in this. Where do you arrive at the figure that there would be so many thousands of jobs? Boatman Bank's home base is St. Louis, Missouri, they're just a subsidiary of them in Belleville, but where are all these jobs going to come from?

PRESIDENT:

Senator Zito.

SENATOR ZITO:

Well, the...the jobs are going to be generated from financial institutions being allowed to operate their credit card operation here in Illinois. By not accepting House Bill 2533, every financial institution that's involved in the credit card operation is going to have to go to states, such again as South Dakota and Delaware, that have much less restrictions on the operation itself. So those jobs are going to...to flee to other states. They already have, as a matter of fact.

PRESIDENT:

(Machine cutoff)...Hall.

SENATOR HALL:

Well, would you cite me a...a different restriction...in other words, right now, I have a Master Card. Now, if...and

I'm thinking that practically all of them...they're going to be the same Master Cards but you're saying there are different restrictions? Now, what...what different restriction would it be now for me if I had one at Boatman Bank or if I had one at Mercantile Bank? What...what would be the difference in the restrictions?

PRESIDENT:

Senator Zito.

SENATOR ZITO:

...Senator, the consumer really isn't at question here. The point...and the consumer is not going to be adversely affected. As a matter of fact, you have to be notified of any changes under this legislation. The two changes we're making is allowing a...a variable rate on both old debt and new debt and the removal of our twenty dollar cap on a membership. That's going to allow financial institutions that are in the credit card business to operate in Illinois and...and offer to borrowers of...Illinois and the rest of the country credit cards doing business here in Illinois. That's going to open up jobs, it's going to open up financial avenues that we...have been shut out of because of the restrictions in our market.

PRESIDENT:

Further discussion? Senator Marovitz.

SENATOR MAROVITZ:

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

PRESIDENT:

Sponsor indicates he'll yield, Senator Marovitz.

SENATOR MAROVITZ:

Are the potential increases in credit card interest tied to any particular index so that we know that as well as...the interest rate being capable of going up, they could also go down?

PRESIDENT:

Senator Zito.

SENATOR ZITO:

Well,...specifically, when you're tied to a fixed rate, obviously, there is no variation in...in the price index. The financial...experts have told me that they use prime rate to set interest rates on credit card loans and automobile loans and all the others. So, sure, when you have a...a variable adjusted rate, that can increase as well as decrease.

PRESIDENT:

Senator Marovitz.

SENATOR MAROVITZ:

What I'm saying is is if...if the bill tied this to the prime rate, for example, that you mentioned, then the rate on the...the...the interest rate on the card would be capable of going up or down depending on the prime rate. If it is not tied to that, then...then you have no guarantee that the rate could conceivably go down if the prime went down.

PRESIDENT:

Senator Zito.

SENATOR ZITO:

That's correct. I...I just want to add for the members though that that language is not present in this amendment or this bill. That's up to the...when the contract is drawn and the borrower and lender get together on that contract, but we're...we're not specific in the bill.

PRESIDENT:

Senator Zito. Senator Marovitz.

SENATOR MAROVITZ:

Are we specific in the bill as to how frequently these interest rates can change? I mean, they...could they change every month as opposed to...to quarterly? Is it...could they could of...could a bank conceivably change the interest rates

every month?

PRESIDENT:

Senator Zito.

SENATOR ZITO:

Conceivably they can but the legislation...is specific for consumer protection. It says any time there's a change that that individual borrower has to be notified.

PRESIDENT:

Senator Marovitz.

SENATOR MAROVITZ:

In regards to the notification that you're referring to, do you specify what type of notification the...the consumer must receive relative to the change in the interest rate on...on new and old debts?

PRESIDENT:

Senator Zito.

SENATOR ZITO:

Yes, I'd refer you again to page 7, lines 18 through 29. It talks about at least thirty days after giving of notice and thirty days at which time to make a first payment on the old debt, and the new debt if they accept the terms of the new agreement, then whatever the contract would be with that lender and borrower.

PRESIDENT:

Further discussion? Any further discussion? Senator Zito may close.

SENATOR ZITO:

Well, I'll be brief, Mr. President. I really think that Illinois certainly needs this legislation to stay competitive, to stay in the market that I think we belong in. Illinois, again, has been shut out virtually in the last seven years by the statistics I gave you in my opening statement. To be competitive, to continue to keep jobs and economic development, we need House Bill 2533 and I would ask for your

favorable support.

PRESIDENT:

The question is, shall House Bill 2533 pass. Those in favor will vote Aye. Opposed vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 56 Ayes, no Nays, 1 voting Present. House Bill 2533 having received the required constitutional majority is declared passed. All right, ladies and gentlemen, if I can direct your attention to the Order of Conference Committee Reports, the bottom of page 7. (Machine cutoff)...of page 7, on the Order of Conference Committee Reports, there's a Conference Committee Report on Senate Bill 1889. Senator Woodyard.

SENATOR WOODYARD:

Thank you, Mr. President. I would ask leave to yield to Senator Rigney to explain the First Conference Committee Report on Senate Bill 1889.

PRESIDENT:

Senator Rigney.

END OF REEL

REEL #2

SENATOR RIGNEY:

Mr. President, the subject here is the Charitable Games Act. I think probably most of you are very much aware now that when we left here last summer that the Charitable Games Act sunset on September 1, and you've had some complaints about that I am sure. The difference between the House and the Senate version; the House wanted only to repeal the sunset part of that bill, the Senate wanted to make some

other changes that we deemed to be necessary. We had a summit meeting in Chicago at the State of Illinois Building on Armistice Day, and I am happy to report to you that an armistice was signed between the House and Senate conferees at that time. And I'm further happy to report to you that the Senate did carry the day on most of the disputed issues. In the final version, it's as follows: first of all, single bet limitation will be raised from five dollars up to ten dollars, the sunset is repealed; and in addition to that, there are three what I call downstate type of issues that we addressed. First of all, we're allowing in counties under sixty thousand that the Department of Revenue may waive the bond requirements when they decide that there is no threat to anyone getting paid. Furthermore, in the same small counties, a licensee may hold a license for up to two locations for their charitable games, assuming that maybe in the summertime they want to have a game down on main street and the wintertime they'll have one in the church hall. And then the third provision was that there may be up to eight games in one location. Now that does not increase the number of games for any one charity, but, obviously, sometimes more than one charity wants to use the same hall, and in many small towns there is only one logical location. I think these three particular items are of great importance in the downstate area. And I'll just say in closing, I'm happy to report to you that the House has already adopted this Conference Committee Report.

PRESIDENT:

Further discussion? Senator Lechowicz.

SENATOR LECHOWICZ:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. I want to commend Senator Rigney for a thorough explanation of the Conference Committee Report. And I'd like to thank the President and the Minority Leader for their

assistance in making sure that this important subject matter was addressed today rather promptly. Both staffs have been workin, and, as was pointed out, an agreement was reached which will extend once and for all the Charitable Games Act in this state and provide for two other provisions that were explained by Senator Rigney. I think it was very important that the Senate be...diligent in their efforts in making sure that what we passed earlier this year is maintained in this Conference Committee Report, and I strongly recommend an Aye vote.

PRESIDENT:

Further discussion? Senator Marovitz.

SENATOR MAROVITZ:

Thank you...thank you, very much, Mr. President. While I would concur with what Senator Lechowicz and Senator Rigney said and thank the President and the Minority Leader also for helping us in holding firm on an agreement that we made in June, and I just would like those members of this Body who may have been questioned to understand how we got in this posture, why Las Vegas Nights were no longer legal from September 1 until the date the Governor signs this bill which will be this week. We reached an agreement with the conferees back in June. The Conference Committee Report was signed. The Senate passed it 53 to 3, and the House was to vote, of course, on the same Conference Committee Report. Without the knowledge of the Senate, the House changed that Conference Committee Report and voted on a Second Corrected Conference Committee Report without our knowledge at all. And when we left here, we had, obviously, two different Conference Committee Reports; one that...one that was agreed on by all conferees and one that was really a product of the House and House only, and that is why we were in the posture. This Conference Committee Report that we're voting on today is almost identical, very close, to what we agreed on and we

passed 53 to 3 with some minor changes. It does help those small downstate counties that needed some small changes to implement effective Las Vegas Nights, it does rate the bet limit; and I would add one more thing, that an agreement was made to put a two-year moratorium for this next General Assembly on any changes in Las Vegas Nights, and we all agreed to that moratorium. I think this is good legislation and provides an additional revenue source for those legitimate charities and churches around our state that really need it in these very tough economic times. Solicit your Aye vote.

PRESIDENT:

Further discussion? Any further discussion? Senator Woodyard, you wish to close? If not, the question is, shall the Senate adopt the Conference Committee Report on Senate Bill 1889. Those in favor will vote Aye. Opposed vote Nay. The voting is open. Have all voted who wish? All voted who wish? Have all voted who wish? Take the record. On that question, there are 55 Ayes, 3 Nays, none voting Present. The Senate does adopt the Conference Committee Report on Senate Bill 1889 and the bill having received the required constitutional majority is declared passed. Senator Newhouse. We're on the Order of Resolutions. Resolutions, Madam Secretary.

SECRETARY:

Senate Joint Resolution 176 offered by Senators Newhouse, Hall, Smith, Collins, del Valle, Brookins, Alexander and Jones.

PRESIDENT:

Senator Newhouse:

SENATOR NEWHOUSE:

Thank you, Mr. President, Senators. This is a resolution commending a city...a state organization on minorities and...permitting their organization to recruit among public

employees. I know of no objection. I'd like to suspend the rules and adopt this resolution to get it over to the House today. It's a joint resolution.

PRESIDENT:

All right. Senator Newhouse has moved to suspend the rules for the immediate consideration and adoption of Senate Joint Resolution 176. Any discussion? If not, all in favor of the motion to suspend indicate by saying Aye. All opposed. The Ayes have it. The rules are suspended. Senator Newhouse now moves the adoption of Senate Joint Resolution 176. Any discussion? If not, all in favor indicate by saying Aye. All opposed. The Ayes have it. The resolution is adopted. Any further business to come before the Senate? Forget not the Governor's summit meeting is at ten o'clock tomorrow at the Mansion. Senator Philip and I cordially invite all to participate. Session will be at noon. We'll be...we'll commence at noon and we will run through the motions that are yet pending and hopefully be out of here in time to expedite everybody's trip home. Senator Geo-Karis.

SENATOR GEO-KARIS:

Mr. President, Ladies and Gentlemen of the Senate, I'd like to remind our Republican colleagues that there will be a caucus immediately at Senator Philip's offices.

PRESIDENT:

Republican Caucus immediately in Senator Philip's office, ladies and gentlemen. If there's no further business, the...Senate stands adjourned until noon, Thursday. Tomorrow at noon.

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