

STATE OF ILLINOIS
92ND GENERAL ASSEMBLY
REGULAR SESSION
SENATE TRANSCRIPT

61st Legislative Day

January 10, 2002

PRESIDENT PHILIP:

The regular Session of the 92nd General Assembly will please come to order. Will the Members please be at their desks? Will our guests in the galleries please rise? Our prayer today will be given by the Reverend William Burton, Jerome United Methodist Church, Springfield, Illinois. Reverend Burton.

THE REVEREND WILLIAM BURTON:

(Prayer by the Reverend William Burton)

PRESIDENT PHILIP:

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

SENATOR RADOGNO:

(Pledge of Allegiance, led by Senator Radogno)

PRESIDENT PHILIP:

...had a request from the Illinois Information Service to film. Leave granted? Leave is granted. Reading of the Journal. Senator Myers.

SENATOR MYERS:

Mr. President, I move that reading and approval of the Journal of Wednesday, January 9th, in the year 2002, be postponed, pending arrival of the printed Journal.

PRESIDENT PHILIP:

Senator Myers moves to postpone the reading and the approval of the Journal, pending the arrival of the printed transcript. There being no objection, so ordered. Committee Reports.

SECRETARY HARRY:

Senator Klemm, Chair of the Committee on Executive, reports Senate Amendment 3 to House Bill 3495 Be Adopted.

PRESIDENT PHILIP:

Messages.

SECRETARY HARRY:

A Message from the Secretary of State, dated January 8th,

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2002.

To the Honorable Members of the Illinois Senate - I respectfully ask concurrence in and confirmation of this appointment by your Honorable Body: To be Commissioner of the Merit Commission for the Office of Secretary of State.

Signed by Jesse White, Secretary of State.

PRESIDENT PHILIP:

Introduction of Bills.

SECRETARY HARRY:

Senate Bill 1553, offered by Senators Philip, Sieben and Dudycz.

(Secretary reads title of bill)

Senate Bill 1554 is offered by Senator Klemm.

(Secretary reads title of bill)

Senate Bill 1555, by Senators Myers and Weaver.

(Secretary reads title of bill)

Senate Bill 1556, by Senators Karpiel and Philip.

(Secretary reads title of bill)

Senate Bill 1557, by Senator Radogno.

(Secretary reads title of bill)

And Senate Bill 1558 is presented by Senator Burzynski.

(Secretary reads title of bill)

1st Reading of the bills.

PRESIDENT PHILIP:

Senator Klemm, for what purpose do you rise?

SENATOR KLEMM:

Yeah. Thank you, Mr. President. I just wanted to alert the Membership that on quick-takes, you know, we do have our resolution and the action we took some time ago has worked, I think, exceedingly well. But I wanted to let those Members know that if they've got cities and that that are looking at quick-take, there's ample time for them to get all their

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requirements in order so that they can meet the requirements that we ask for. At least when they come to you now, early, while we're adjourned, perhaps you can remind them what we need to do so there won't be any discomfort later on when we have to deny 'em because they didn't provide all the information. So, it's just an alerting of the Membership. Thank you.

PRESIDENT PHILIP:

Yes, thank you, Senator Klemm. It's made it a lot easier on the Members of the committees, too. We have more information. We have it ahead of time, and very honestly, we've done a much better job, thanks to you. Resolutions.

SECRETARY HARRY:

Senate Resolutions 284 and 285, by Senator O'Malley and all Members.

Senate Resolutions 286 and 287, by Senator Sullivan.

Senate Resolution 288, by Senator Link, as is Senate Resolution 289.

They're all death resolutions, Mr. President.

PRESIDENT PHILIP:

Consent Calendar.

SECRETARY HARRY:

Senate Resolution 290, offered by Senator Philip.

It's substantive.

PRESIDENT PHILIP:

Channel 20 News has requested permission to film our proceedings. Is leave granted? Leave is granted. Committee Reports.

SECRETARY HARRY:

Senator Weaver, Chair of the Committee on Rules, reports the following Legislative Measure assigned: Be Approved for Consideration - Senate Amendment 4 to House Bill 3495.

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On page 2 of today's Calendar, in the Order of House Bills 3rd Reading, House Bill 3495. Senator Rauschenberger, do you wish to return this bill to 2nd Reading for the purpose of an amendment? All right. Senator Rauschenberger seeks leave of the Body to return House Bill 3495 to the Order of 2nd Reading for the purpose of an amendment. Any objections? Hearing none, leave is granted. On the Order of 2nd Reading is House Bill 3495. Mr. Secretary, are there any Floor amendments approved for consideration?

SECRETARY HARRY:

Amendment No. 3, offered by Senators Rauschenberger and Philip.

PRESIDENT PHILIP:

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

I'd like to -- I'd like to make a motion to table Floor Amendment No. 3. Floor Amendment No. 4 includes a technical correction that the Rules Committee has seen and -- and distributed to the Floor.

PRESIDENT PHILIP:

You've heard the motion to table Amendment No. 3. All those in favor, signify by saying Aye. Those opposed, Nay. Ayes have it. The -- the amendment is tabled. Any further Floor amendments?

SECRETARY HARRY:

Amendment No. 4, offered by Senators Rauschenberger and Philip.

PRESIDENT PHILIP:

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. I'd like to move to adopt this amendment and discuss it on 3rd Reading.

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Any discussion? Any discussion? All those in favor, signify by saying Aye. Those opposed, Nay. The Ayes have it. The amendment is adopted. Any further Floor amendments approved for consideration?

SECRETARY HARRY:

No further amendments reported, Mr. President.

PRESIDENT PHILIP:

3rd Reading. ...on 3rd Reading -- Senator Rauschenberger, on the Order of 3rd Reading is House Bill 3495. Mr. Secretary, read the bill.

SECRETARY HARRY:

House Bill 3495.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDENT PHILIP:

Senator Rauschenberger, to explain the bill.

SENATOR RAUSCHENBERGER:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. House Bill 3495, with Amendment No. 4, is now an emergency authorization permitting the Governor of the State of Illinois to -- to order contingency reserves of General Revenue agencies of up to five percent of their General Revenue appropriation in the 2002 budget. It's limited by a -- the fact that the reserves have to take place before the end of the fiscal year. It exempts from the reserve...

PRESIDENT PHILIP:

Could we have some quiet? I mean, there's a lot of noise on. This is a very important amendment. If we could have some attention, why certainly the Body would appreciate it. Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

Thank you, Mr. President. This emergency budget authorization

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allows the Governor the right to order contingency reserves for up to five percent of any of the agencies' General Revenue appropriation, limited by the -- it's limited to this fiscal year, the Fiscal Year 2002 budget, and expiring at the end of the fiscal year. The only exemption to the bill is general State aid formula. The general State aid that we deliver directly to school districts is not impacted. I'd be very happy to answer questions on the bill.

PRESIDENT PHILIP:

The AP has requested to take photographs today. Is leave granted? Leave is granted. Senator Trotter.

SENATOR TROTTER:

Thank you very much, Mr. President. A question for the sponsor.

PRESIDENT PHILIP:

Indicates he will respond. Senator Trotter.

SENATOR TROTTER:

Senator Rauschenberger, this five-percent reserve that we're now going to agree that the Governor has the authority to make the cuts, will this be able to -- will we be able to restore cuts that have been made to the hospitals with this measure?

PRESIDENT PHILIP:

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

Depending upon how the administration chooses to implement the additional authority, I would argue that they could make -- targeted restorations to, for example, the outpatient or the tertiary care program, but I would warn the Body and I would tell you, we don't have any commitments yet from the administration. We do know that the -- the Director of the Bureau of the Budget confirmed in testimony that all of -- all of the additional cuts and actions by the Executive Branch would be in consultation with

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our Leaders. So, hopefully, I agree with you that perhaps our Leaders can prevail upon them to work some on the hospitals.

PRESIDENT PHILIP:

Senator Trotter.

SENATOR TROTTER:

Thank you very much. You've also mentioned that this gives the Governor authority to make reductions -- or, five-percent reductions, every place, with the exception of general State aid. So that means that he can make cuts into mandatory categoricals and transportation and in areas such as those.

PRESIDENT PHILIP:

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

Yes, that's correct, and Members of the Body need to be alert to this: The preschool program, the Textbook Loan Program, programs that people in this Body care a great deal about are subject to this bill. The only exemption is the general State aid formula.

PRESIDENT PHILIP:

Senator Trotter.

SENATOR TROTTER:

What is the -- the net amount that we can get from this five-percent reduction?

PRESIDENT PHILIP:

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

By our calculations, it's -- the total value of the five percent less the general State aid for agencies under the Governor, including the Board of Higher Ed and the State Board of Education, is approximately nine hundred and seventy million dollars' worth of contingency reserves. Our numbers show that the Governor has already used a -- a substantial portion of that. I

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guess our numbers would show that he's, perhaps, made reductions already of nearly four hundred and twenty million dollars, and with some revenue changes, has effectuated cuts of nearly four hundred and sixty-five or four hundred and seventy million.

PRESIDENT PHILIP:

Senator Trotter.

SENATOR TROTTER:

All right, sir. Thank you very much, Mr. President. There's been a lot of discussion put into this bill, into where we've drafted it now to get this language over the past few months. We know that we've been hit with a major crisis in this State, as all states throughout this nation have been hit. This has -- bill has been drafted to put forth a program that we feel will put the least -- the least amount of -- of damage in one bucket and -- and spread it across the board. I think the Members should look at this bill, think about their constituencies and vote accordingly.

PRESIDENT PHILIP:

Senator del Valle. Senator del Valle.

SENATOR DEL VALLE:

Thank you, Mr. President. A question for the sponsor.

PRESIDENT PHILIP:

Indicates he will.

SENATOR DEL VALLE:

Senator...

PRESIDENT PHILIP:

Senator del Valle.

SENATOR DEL VALLE:

...I have a question regarding the -- the Rainy Day Fund, and certainly we would agree that this is a rainy day. Statutorily, we've already used the amount in the Rainy Day Fund, is that correct?

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Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

Senator, we haven't actually used it. What we've done is we've permitted it to be borrowed to be used for cash flow. We still owe the amount of two hundred and thirty million dollars back on June 30th of this year. So we're -- we're using it for cash flow purposes, but we haven't applied it yet.

PRESIDENT PHILIP:

Senator del Valle.

SENATOR DEL VALLE:

So, we're borrowing out of the Rainy Day Fund, a Rainy Day Fund that was created by statute, utilizing tobacco dollars. Is that correct?

PRESIDENT PHILIP:

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

That's absolutely correct, Senator del Valle.

PRESIDENT PHILIP:

Senator del Valle.

SENATOR DEL VALLE:

So, given that we heard in committee today, this morning, that it is anticipated that things will get better for next fiscal year, why can't we, by statute, suspend having to refund the dollars to that Rainy Day Fund for one year, let's say, or six months, whatever period we -- we feel is necessary, and then be able to then keep those dollars, use those dollars and not have to then cut the -- the additional two hundred million or maybe a hundred and fifty million that we're talking about could be cut as a result of the five-percent authority that we're giving the Governor in this bill?

PRESIDENT PHILIP:

Senator Rauschenberger.

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SENATOR RAUSCHENBERGER:

There's -- there's a couple quick problems. You can't borrow across a fiscal year. The only way to effectuate, I think, what you're talking about would be to statutorily spend the -- the Rainy Day Fund and, at a later date, reconstitute it. There is no reason financially we can't do that, if we can pass a statute in both Chambers. The only caution, as a budgeteer, I would give you is, what you would be doing is taking a onetime resource and using it to fund base-spending programs, and although we don't expect any further degradation in the revenue picture, the -- the Fiscal Year 2003 budget picture is -- is not a rosy one. So, it certainly is possible, but it -- it would take statutory action by both Chambers.

PRESIDENT PHILIP:

Senator del Valle.

SENATOR DEL VALLE:

Well -- thank you, Mr. President. I -- I think that given that we are seeing predictions, both from Economic and Fiscal and from the Bureau of the Budget, that things will get better, I think it's a risk worth taking, rather than us being in a position here to -- to make some deep cuts, because they will be deep at the end of the fiscal year, given that a lot of spending has already passed -- taken place. And so, we are talking about some deep cuts. So, it's an alternative that I haven't heard us talk about, and certainly we can -- we can restore those dollars to the Rainy Day Fund. I'm not saying eliminate the Rainy Day Fund; I'm just saying temporarily suspend it until we're out of this mess. Thank you.

PRESIDENT PHILIP:

Very happy to see Speaker Madigan on the Floor of the Senate. The rumor is that he's lobbying on behalf of the Governor's five percent. Happy to have you on board. Senator Obama.

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SENATOR OBAMA:

Thank you very much, Mr. President, Ladies and Gentlemen of the Senate. Will the sponsor yield for a question?

PRESIDENT PHILIP:

Indicates he will.

SENATOR OBAMA:

Thank you. Senator Rauschenberger, I caught part of the discussion that took place in the committee today, but I just wanted to clarify, specifically on the Medicaid cuts. We had had, in a JCAR meeting, a discussion about the alternatives related to Medicaid, and I thought you presented a fairly cogent description of an alternative approach to cutting Medicaid that would have involved across-the-board cuts. Your suggestion, as I understood it during the JCAR meeting, was that the reason the Governor had not resorted to those across-the-board cuts was because he felt he was handcuffed, did not have the statutory authority. And my question, I guess, is, number one, could you indicate to us what that alternative would have been, and number two, does voting for this bill grant the -- the statutory authority for the Governor to revisit the manner in which the Medicaid cuts are being executed?

PRESIDENT PHILIP:

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

Thank you, Senator Obama. That's a good question. I'm glad we brought it to the Floor. The Governor's original November proposal for dealing with, in part, the budget problem was a 4.7-percent reduction across all of Medicaid programs. It would have amounted to a reduction in hospital payments, hospital rates, of about half of what's been done by emergency rule. He couldn't do that in November because our -- we were unsuccessful in giving him the explicit authority in a bill we -- this -- this bill, in fact, in a different amendment. We didn't move it to the House,

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and the House never acted. So the Governor lacked that authority, and he then acted by rule. Because he could not effect anything on the nursing -- in other parts of the Medicaid budget, he decided to cut more deeply into hospitals by changing dramatically the outpatient payment program, as well as the tertiary care payment program. By passing this bill, we give the Governor statutory authority to reduce all of the lines in Medicaid. He could return to his original plan, reduce across the board by 4.7 percent or whatever he chose, up to five percent of the gross appropriation of the agency, and then restore the outlier payment program, the -- the outpatient payment program and the tertiary care program. However, I need to tell you, when that question was posed in the Executive Committee, Steve Schnorf, the Director of the Bureau of the Budget, was not willing or able to give us a commitment that they would do that. They said they're concerned about the ongoing situation and they would be very slow to make restorations. So, I can't tell you that passage of this bill would get us back to his original plan, which I would argue is the better plan and the one that I would prefer to see happen.

PRESIDENT PHILIP:

Senator Obama.

SENATOR OBAMA:

A related question then. And again, this may have been answered in committee but, unfortunately, I'm not on the committee, so I wasn't there the entire time. If he was unwilling to make a commitment to go to the original plan, one of the discussions that we had in the JCAR meeting related to the restoration of cuts to high-volume Medicaid hospitals. Was there discussion and did he make a commitment that those restorations would go forward immediately? Is there some sort of delay? Did they give any indication on -- of how they're going to execute those restorations, and where would that come from within the

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budget?

PRESIDENT PHILIP:

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

Senator Obama, there was no discussion explicitly in committee of when the restoration -- I think that you're talking about the twenty-three-, twenty-four-million-dollar targeted partial restoration of the critical hospital access program. My understanding is they intend to file a rule on that rather quickly, they intend to go ahead with that part of the restoration forthwith. There was no discussion, to my recollection, in the committee of the sourcing. The discussions that -- outside of that committee that I've been involved in are that they expect to make other reductions in the Medicaid program to effectuate that twenty-four million dollars.

PRESIDENT PHILIP:

Senator Obama.

SENATOR OBAMA:

A final question then, Senator Rauschenberger. You know, we were deeply concerned with the potential adverse effects of these hospital cuts on vulnerable segments of the population and, as we've already discussed, were interested in exploring some options. I think that all of us recognize the severity of the budget crunch and respect that the Governor has to make some tough choices. I guess what I'm wondering about and concerned about is that if we pass this legislation, are the legislative Leaders in a position to negotiate? Have they obtained any commitments in terms of where these cuts are going to be taking place, or is this simply open-ended? And do we have a situation where if further cuts are made in areas that, let's say, I personally feel are inappropriate, that I will have essentially been voting for the Governor's authority to make a series of highly inappropriate

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cuts, from my perspective? I'm not saying that that's what the Governor intends to do. I respect Mr. Schnorf, and -- and I think they're going about this in a -- in a -- a judicious manner. But what I'm wondering is, are there any formal mechanisms whereby the Legislature will have input and some sort of oversight with respect to which cuts are made?

PRESIDENT PHILIP:

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

This method of open-ended authority to the Executive Branch to make reductions on a gross amount by a percentage is, I think I'm safe to say, Senator Trotter's and I's -- second choice about how to deal with this crisis. We would have preferred to have done a line item reduction bill and brought to you exact and specific changes. It's become clear in -- in the many days in December that Senator Trotter rode his motorcycle down to Springfield to join me in discussions with the Bureau and the House Leaders that the House -- the House -- the people representing the House made it quite clear that in no way they felt they could address the budget problem on a line-item basis. That leads to this choice. This is open-ended authority which would allow the Governor to make reductions without statute or any changes. The Governor did commit, and it was reaffirmed by Director Schnorf in the committee, that they intended to consult the four legislative Leaders on any additional cuts being made. And the bill still clearly, by legal opinion, as well as in its -- on its drafted face, leaves any rule changes under the authority of JCAR, which I thought was very important. Not all of the cuts the Governor might make would be subject to JCAR rule changes, but through the JCAR mechanism and consultation with the Leaders, we do retain some control. The last thing I would tell you is that the '03 budget will begin to consume a great deal of this Membership's

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time very soon. The Governor's Office and the Bureau of the Budget need our cooperation on the '03 budget. So there's also, very clearly, a real, you know, limiting effect on -- on things. There's -- they don't want to make this a more difficult Session. So I hope it's a very consultive process, but the bill does not guarantee that.

PRESIDENT PHILIP:

Senator Clayborne.

SENATOR CLAYBORNE:

Thank you, Mr. President. I want to make a statement, then I have a few questions for Senator Rauschenberger. First of all, I -- I understand that this is a hard task and -- and I commend the Governor for his efforts. And -- and I know something has to be done because of the -- the crisis we're in. But -- but, particularly, my problem with this bill is that downstate is not being reimbursed at the same level as my counterparts upstate in terms of the -- the hospital reimbursement rates, as well as the nursing home reimbursement rates. So when you talk about cutting five percent from somebody who doesn't have five percent, then it's a little difficult. And when we were in committee -- and I -- and I'm sure my colleague, Senator Rauschenberger, remembers and I know he understands this issue all too well, that the average nursing home rate throughout the State was about ninety-five dollars. In my nursing homes, the best are being reimbursed at seventy-five to eighty dollars. So, how can we afford to take a -- a cut across the board that is not fair because we're not being reimbursed at the same rates? The other problem that I have is that we all, in Illinois, should share in terms of the hurt that's going to happen or -- or we should all share in the difficult times and make sure that all entities and not just the poor and the needy are the ones who will suffer. So -- so, I guess my question is, Senator Rauschenberger - and I

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guess I know the answer: This bill does not deal with any of the tax incentives that we've passed over the last three years. We had MBA professors from the University of Chicago come into the Revenue Committee and say if we go from a three sales factor to a single sales factor, we would create in excess of two hundred and eighty-some thousand jobs over the next three years. This bill does not address making sure that corporations, who -- who we're losing General Fund revenue from as well, they don't share in the brunt of this do they, Senator Rauschenberger?

PRESIDENT PHILIP:

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

Senator Clayborne, no. There's -- there's nothing in this bill that deals with the question of the revenue side. I would tell you a couple things though. Number one, corporate income taxes always collapse in a recession, whether you're taxing corporations at a thirty-percent rate or a three-percent rate, because, unlike people, you -- corporations only pay income tax on their net earnings. They have to make money. And in a recession, very few corporations are profitable. So, while a change in the corporate tax base over time would help us recover, it would be unlikely to be affecting us now. And one other quick point for you: I agree with you and understand your concern about nursing home rates. You do need to know this bill permits the Governor permissive authority to make five-percent reductions but does not obligate him, and hopefully he will not, necessarily, reduce five percent across all nursing homes. In other words, they're capable, if they'd like, of adjusting those reductions, perhaps, to reflect some of the inequities that were portrayed in the Executive Committee.

PRESIDENT PHILIP:

Senator Clayborne.

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SENATOR CLAYBORNE:

I -- I guess the problem with that, corporations are able to carry some of those losses forward, Senator Rauschenberger. But the same thing happens, even though their -- you're saying their net earnings have gone down, what are you doing to my nursing homes, what are you doing to my hospitals? You know, just -- in -- in The Post, there's one ambulance service in the City of East St. Louis that covers -- maybe with other communities, that covers about fifty thousand people. Just in the paper this morning, it says even though the Governor's talked about lessening the blow, this ambulance service is probably going to fold and close. So, how can I -- when we need -- when -- in the -- during the good times when we needed more money in terms of rate reimbursements, we didn't receive it? We didn't receive that increase in -- in the rates and make it more -- more equitable. The problem is, medicine in East St. Louis and Belleville costs the same as the medicine in Chicago. When a person is sick with cancer or -- or whatever it is, they have to receive the same services downstate as they do upstate. So, I cannot, in good conscience, vote to support this because we have not received equity in term of -- in terms of rate reimbursements over the years. Now, that has nothing to do with this Governor. This was established prior to me even coming here, and this has been an issue for awhile for me. But until we receive some parity, some equity, in terms of rate reimbursements, you're taking from those who don't have. And when we talk about corporations, I just say that we should look and reevaluate whether some of the policies that -- and laws that we've implemented over the last ten, twenty years, whether they're working. And if they're not working, let's look at and eliminate those and take some of the hurt off of those who need these services. So, in good conscience, I can't vote for this. And -- and I only say to -- to those of you-all that, again, we're

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talking about the most vulnerable in our society, and we have to make sure that their needs are taken care of. If this adversely affects my hospitals, two of my hospitals and definitely one will close. One every year is always on the brink of closing. So if you take from them, then there's a possibility that they won't survive. And -- and, obviously, I urge a No vote, and I -- I ask that we sit back down at the table and find some way to -- to lessen the hurt on -- on the hospitals downstate. Thank you.

PRESIDENT PHILIP:

Senator Geo-Karis.

SENATOR GEO-KARIS:

Mr. President and Ladies and Gentlemen of the Senate, we have heard; we've had crisis, crisis and crisis. Why not give the responsibility to the Governor, who is willing to take that responsibility, to decide where he has to make the needed cuts? No one wants to cut the budget, none of us here, but there is such a thing as the facts of life, where we've just got so much money to deal with and no more. And the sooner we face it, the better. I feel that as long as the Governor is willing to take the responsibility to make whatever cuts he needs to make, to have his choice of departments, and he -- he certainly excludes education so you don't have to worry about education, I think it's only fair to give him the opportunity. I would prefer that he make the decision; after all, he is the Governor, he's held responsible. He's willing to take the responsibility, and he is being responsive. So I ask every one of my colleagues here to support this bill. I think it's the only thing we can do at this time.

PRESIDENT PHILIP:

Senator Jacobs.

SENATOR JACOBS:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. Most of my questions have been answered by previous speakers, but

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I, too, feel an obligation to at least rise and voice my concerns. You know, it's a little bit "here we go again". We're coming up with a last-minute resolution. There's some issues that have not been addressed to my satisfaction for some of the concerns that affect my district and my area of the State and, of course, one of those, which is one that is near and dear to those of us on this side of the aisle, and that's the privatization issue that is currently with the Department of Corrections. But, here again, we're giving the Governor sole authority - one man, one person - good man, but he's going to be making those determination. Senator, it's as you indicated. It's unfortunate that we acquiesced our authority and just are giving a -- a blank check, if you will, in reverse, rather than coming up with the specific issues within the budget process. I would just hope from this process and from this last-minute address of probably the most important issue that we've had here in many years, that we learn from it, and I would just suggest that next year, when we go into the budget process, we truly look at the process of zero-based accounting and find out exactly what the needs are of this State, rather than to just add on to a previous budget, which in no way may be right the year before. So for us to make -- be making these changes at this late date and giving all that authority to the Governor I think is wrong. I think we're -- we're remiss in our authority, and I think that I would much rather see these budgets cut -- budget cuts come from within the Body, rather than from the Governor. You know, it's awful easy for us to walk home whenever a budget is passed and we've given great increases to certain agencies and we take the credit. It's unfortunate that we don't have the guts to stand up and take the blunt of the blow for the other end of the spectrum. And I just think that we've got to be a little more careful in the future, and hopefully we'll seriously consider the possibility of looking at a zero-based

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accounting process for next year.

PRESIDENT PHILIP:

Senator Lauzen.

SENATOR LAUZEN:

Thank you, Mr. President. Eventually, a question for the sponsor. When businesses in Illinois have a problem like this...

PRESIDENT PHILIP:

He indicates he will respond.

SENATOR LAUZEN:

Thank you.

PRESIDENT PHILIP:

Senator Lauzen.

SENATOR LAUZEN:

When businesses in Illinois have a problem like this, where there's a reduction of revenue, the alternatives for solving the problem include things like cutting expenses, which we're discussing now, stretching a payment cycle, stretching out their accounts payable, short-term borrowing money for working capital, and collecting their accounts receivable - that's collecting dollars that are owed to -- owed by others so that we can pay our bills. I'm under the impression that the State of Illinois has at least three to four billion dollars of amounts owed to the State, or accounts receivable. The question for the sponsor would be: Wouldn't it help relieve the pressure on the hospitals and social service agencies and education if we collected even ten percent of the money that's due the State of Illinois? Wouldn't it help?

PRESIDENT PHILIP:

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

Yes, Senator Lauzen, it would help a great deal. We're experiencing substantial cash flow problems, and an acceleration or a -- a more timely collection of receivables would make a big

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difference.

PRESIDENT PHILIP:

Senator Lauzen.

SENATOR LAUZEN:

Coordinating the collection of accounts receivable in the State of Illinois, according to the Constitution, is the duty of the State Comptroller. Are you aware of any recent study or any recent initiatives by the Comptroller to collect the accounts receivable to take some of the pressure off of social service agencies, hospitals and education?

PRESIDENT PHILIP:

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

No, I'm not aware of any, nor has the Comptroller communicated that they're going to be targeting or working on those.

PRESIDENT PHILIP:

Senator Lauzen.

SENATOR LAUZEN:

Okay. Then -- then I would comment that I would like to encourage the Comptroller to attend to this important task.

PRESIDENT PHILIP:

Senator Molaro.

SENATOR MOLARO:

...you -- thank you, Mr. President. Just want to reiterate a comment and see if -- if I can get assurance -- any assurance again here from the -- our illustrious colleague. When we were in committee, obviously the reason we're doing it this way, and even Schnorf said -- Director Schnorf said, we've got a problem now and the only way we could do it -- there's only two ways: We come up with a one-page, five-line paragraph, and that's how we resolve this conflict, or we reopen the whole process and go line by line. Now, obviously, we can't do the latter. There's no way we're going

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to go through seven hundred thousand lines in a budget and try to get it done in the next two or three weeks. It's impossible. The only other way is to do it this way, by one paragraph. And I'm -- just want the public to know that; I don't want anybody to think that we're -- you know, we're -- we're shying away from our responsibility. It's the only way it could be done, unless you want to open up every line by line and hold hearings which, of course, will take to May, and it becomes redundant. The only thing I would ask -- and -- and, Senator, I think you're involved and our two Leaders will be involved, is I think that if we're trying to save two hundred and twenty-five million dollars out of fifty-five-billion-dollar budget, there has to be a way that we can do this with laying off workers. And I would just like to know, in your opinion, can it be done without laying off any of the State of Illinois workers? Only because we're doing it where it's five percent across the board, so there's -- the pain, so to speak, could be felt -- a little pain by everyone, as opposed to big pain by just one group. And I'm just hoping if there's going to be layoffs, that they would be across the board and not just one particular department getting hit real hard. Do you think it's possible to do this?

PRESIDENT PHILIP:

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

Well, I want to thank -- first, I want to thank Senator Molaro for pointing out we -- we cannot, in three or four days, do a line-item reduction to the budget. And I would -- to the -- to the credit of Senator Philip and Leader Jones, Senator Trotter and I came down in November and in December to try to work with the House people to see if there was a way that we could have prepared for you a line-item document. As we've said before, the House has not been in a position to accept or receive a line-item reduction.

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So you're absolutely correct. Given the -- the -- the problems in the other Chamber, this is what we're reduced to, and you are right: The public should know that. To the question of whether it's possible to do our budget reconciliation without layoffs, I would answer that it is possible, but I would caution you that it would be making a choice to further reduce health care to the poor, further reduce education, further reduce aid to -- to senior citizens, the community care program. The real choice is whether down here, if we're going to make substantial reductions, whether we ought to hold State bureaucracy harmless - in fact, whether we ought to hold ourselves harmless. The General Assembly voluntarily is participating in the reserve program. It has already reserved two percent, as Executive Branch agencies are. So, it's a value judgment that, under this bill, we're trusting to the Governor.

PRESIDENT PHILIP:

Any further discussion? Any further discussion? If not, Senator Rauschenberger, to close.

SENATOR RAUSCHENBERGER:

I appreciate the patience of the Body and the good questions in the Executive Committee and the good questions on the Floor here. In all fairness, I -- I want to just say a couple of things real quickly. This is not -- this is not the Governor's fault. Constitutionally, we're responsible for the budgets that we, in the end, negotiate and agree to. The Governor only signs and implements 'em. The same Governor that for three years many of us have worked very hard to persuade to start new programs or to expand things or to participate in things is going to be sitting on the Second Floor listening to us as we discuss the cuts. The -- the -- the -- flexibility the Governor has shown in the good three years, I expect he will show in this difficult time and be responsive to the Members of this Body. So, I don't think it's

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fair to argue that somehow the Governor's changed character. He's been a very responsive Governor to many people here and I expect he will continue to be. Again, this is not the Senate's choice. Senator Trotter gave up a lot of his Christmas vacation, as -- as did I, to try to come up with other solutions to this. This is the solution that's available to us at this time. There were a lot of jokes about Senator Trotter riding his Harley Davidson down below freezing and that we used to have to unthaw him before the meetings, but -- but we -- we have put in the time. And I wish we were bringing you a more perfect result, but this is what we do have. I need to remind you that this isn't occasioned by something that's happened in the Executive Branch or something that's happened in State government. We have had unprecedented revenue declines. As far back as 1985, as far back as the data goes, we have never seen first six-month revenues of the State of Illinois perform the way they have in this recession. This is absolutely an unprecedented revenue situation that brings us to these discussions. We have been able, in three very good revenue years, to be very generous. The fact that we have to retract some of that now is not welcome, it's not pleasant, but it's not unreasonable. And -- and to Senator Clayborne, who puts in hours and hours with me on the Appropriation Committee, is thoughtfully right about our human service rates and -- and the frustration that ambulance providers have and the frustration that -- that Medicaid providers have. But I will tell this Body, as I probably have before and you're probably tired of hearing, human service rates in the State of Illinois will not get any better until we're willing to show the discipline to deal with the education community in a more thoughtful way and until we can discipline our own desire to -- to increase the size of the State bureaucracy. There's a ten-percent increase in the number of State employees in three short fiscal years. When you add their health care costs

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and the pension costs and other things to that, plus a commitment from the beginning by this Governor of fifty-one percent to education that almost all of us support, that doesn't leave the resources necessary for us to retool and reform human services. I hope under the next administration in the next General Assembly we really do take up human service rates and our commitment to human services in a very positive way, but it will take the discipline. You can't have it all at once. We can't all go back, promise fifty-one percent to education, expand State government and then also fix human services. So I look forward to -- to working for the -- if I'm reelected, in the next General Assembly with -- with thoughtful people on the Appropriation Committee. Appreciate your support of this bill. It's not what any of us really want to do, but it's absolutely the right thing to do at this time.

PRESIDENT PHILIP:

The question is, shall House Bill 3495 pass. Those in favor will vote Aye. Those opposed, Nay. The voting is open. Have you all voted who wish? Have you all voted who wish? Have you all voted who wish? Take the record. On the question, there are 42 Ayes, 14 Noes, none voting Present. House Bill 3495, having received the required constitutional majority, is declared passed. If the Members would please stick around for a few minutes. We have a death resolution.

PRESIDING OFFICER: (SENATOR DUDYCZ)

Senator Rauschenberger, what purpose do you rise?

SENATOR RAUSCHENBERGER:

A quick announcement, with the forbearance of the Presiding Officer. The Senate Republican -- the Senate Republican Members are invited to a brief informational caucus upon the conclusion of the death resolution, in Room 212. If you're coming, please bring the paperwork that we left on your desks 'cause that's your only

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copy. If you can't come, we'd be happy to talk to you by telephone. Thank you.

PRESIDING OFFICER: (SENATOR DUDYCZ)

Members please be in their seats. Will the staff please retire to the gallery. And will the doormen please secure the doors. Madam Secretary, Resolutions.

ACTING SECRETARY HAWKER:

Senate Joint Resolution 46, offered by Senator Philip and all Members.

(Secretary reads SJR No. 46)

PRESIDING OFFICER: (SENATOR DUDYCZ)

Senator Philip moves to suspend the rules for the purpose of the immediate consideration and adoption of Senate Joint Resolution 46. All those in favor, say Aye. Opposed, Nay. The Ayes have it, and the rules are suspended. Senator Philip.

SENATOR PHILIP:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. I think probably everybody in this Body can understand the trials and tribulations that our wives go through, and I think it's even more magnified when you're the Leader on either side of the aisle. It's not an easy thing to do, go through life with -- married to a politician, quite frankly. I don't -- didn't know her very well. She's from New Orleans. Next to Chicago, that's my favorite city. It's a -- it's a beautiful city. She was a very, very gracious lady. She was a devoted wife and a loving mother. Very active in her community. She was a teacher; she was a community leader. We're going to miss her, and she was a very, very beautiful lady. Emil, you were very, very lucky and very, very fortunate to have such a wonderful partner.

PRESIDING OFFICER: (SENATOR DUDYCZ)

Senator Demuzio.

SENATOR DEMUZIO:

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Thank you, Mr. President. I think the resolution, frankly, has summarized everything about Pat, and I, along with Senator Philip -- and I concur with his remarks. I know Senator Jones has had a very, very difficult year this past year, and it's been very difficult for he and the family. Senator, on behalf of all of your friends and your colleagues in this Senate, we offer you our heartfelt sympathies, to you and your family, on the loss of your beloved wife, Pat. She was, indeed, a wonderful woman. And on a personal note, if I might, let me say that, as a country guy, I had never seen a white casket and that was what struck me the most, immediately when I entered the -- the church. And what struck me even more was the manner in which she was dressed, all in white, and she looked just like an angel, all dressed and ready to join her fellow angels in heaven. And so I can only say to you, Senator, that you have been fortunate to have had her the period of time in which she was here on this earth, and we pledge to you that we shall always miss her, that we shall always remember her, and we pledge to you that we shall always love her.

PRESIDING OFFICER: (SENATOR DUDYCZ)

Senator Philip moves for the adoption of Senate Joint Resolution 46. All those in favor, say Aye. All opposed, Nay. The Ayes have it, and the resolution is adopted. Resolutions.

SECRETARY HARRY:

Senate Resolution 291, offered by Senators Philip, Weaver and all Republican Members of the Senate.

It's substantive.

PRESIDING OFFICER: (SENATOR DUDYCZ)

Introduction of Bills.

SECRETARY HARRY:

Senate Bill 1559, offered by Senator Silverstein.

(Secretary reads title of bill)

Senate Bill 1560, by Senator Silverstein.

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(Secretary reads title of bill)

Senator DeLeo offers Senate Bill 1561.

(Secretary reads title of bill)

And Senate Bill 1562, by Senator Myers.

(Secretary reads title of bill)

1st Reading of the bills.

PRESIDING OFFICER: (SENATOR DUDYCZ)

Consent Calendar. We will now proceed to the Order of Resolutions Consent Calendar. With leave of the Body, all those read in today will be added to the Consent Calendar. Mr. Secretary, have there been any objections filed to any resolution on the Consent Calendar?

SECRETARY HARRY:

No objections have been filed, Mr. President.

PRESIDING OFFICER: (SENATOR DUDYCZ)

Is there any discussion? If not, the question is, shall the resolutions on the Consent Calendar be adopted. All those in favor, say Aye. Opposed, Nay. The motion carries, and the resolutions are adopted. Resolutions.

SECRETARY HARRY:

Senate Joint Resolution 47, offered by Senator Weaver.

(Secretary reads SJR No. 47)

PRESIDING OFFICER: (SENATOR DUDYCZ)

Senator Weaver moves to suspend the rules for the purpose of the immediate consideration and adoption of Senate Joint Resolution 47. All those in favor, say Aye. Opposed, Nay. The Ayes have it, and the rules are suspended. Now Senator Weaver has moved the adoption of Senate Joint Resolution 47. All those in favor, say Aye. Opposed, Nay. The Ayes have it, and the resolution is adopted. Any further business to come before the Senate? If not, pursuant to the adjournment resolution, Senator Noland moves the Senate stands adjourned.