

80th GENERAL ASSEMBLY  
SECOND SPECIAL SESSION  
NOVEMBER 3, 1977

1. PRESIDING OFFICER: (SENATOR DONNEWALD)

2. The Second Special Session shall come to order.

3. Reading of the Journal. Senator Kenneth Hall.

4. SENATOR KENNETH HALL:

5. Mr. President, I move that reading and approval of the  
6. Journals of Wednesday, November the 2nd, 1977 be postponed  
7. pending arrival of the printed Journal.

8. PRESIDING OFFICER: (SENATOR DONNEWALD)

9. Heard the motion. Those in favor indicate by saying  
10. Aye. Those opposed Nay. The Ayes have it. The motion  
11. carries. Committee Report.

12. SECRETARY:

13. Senator Hickey, Chairman of the Committee on Higher  
14. Education, reports out Senate Bill 8 with the recommendation  
15. Do Pass as Amended.

16. Senator Smith, Chairman of the Public Health, Welfare  
17. and Corrections Committee, reports out Senate Bill No. 1  
18. with the recommendation Do Pass as Amended.

19. PRESIDING OFFICER: (SENATOR DONNEWALD)

20. Senate Bills, 2nd reading. Senate Bill 3, Senator  
21. Graham. Read the bill.

22. SECRETARY:

23. Senate...Senate Bill 3.

24. (Secretary reads title of bill)

25. 2nd reading of the bill. No committee amendments.

26. PRESIDING OFFICER: (SENATOR DONNEWALD)

27. Senator Rock. Are there amendments from the Floor?

28. Senator Rock.

29. SENATOR ROCK:

30. I...I just wonder if the Senator will agree to have  
31. this moved with the understanding we can call it back if need  
32. by. I'm sure...

33. PRESIDING OFFICER: (SENATOR DONNEWALD)

SB 6  
1/13/77  
2nd reading

1. Indicates he will...
2. SENATOR ROCK:
3. ...he will. Thank you.
4. PRESIDING OFFICER: (SENATOR DONNEWALD)
5. ...do so. Are there further amendments?
6. 3rd reading. Senate Bill 6, Senator Glass.
7. Read the bill.
8. SECRETARY:
9. Senate Bill 6.
10. (Secretary reads title of bill)
11. 2nd reading of the bill. The Committee on Labor and
12. Commerce offers three amendments.
13. PRESIDING OFFICER: (SENATOR DONNEWALD)
14. Senator Glass.
15. SENATOR GLASS:
16. Mr. President, this is the bill that would bring
17. Illinois into compliance with the Federal requirements
18. on unemployment compensation and I know that all of the
19. members of the Body who want to be on the Floor are not
20. on the Floor and I said in committee that I would hold
21. this for possible amendments. I would like to...to move
22. the bill today to 3rd and I wonder if we could pass this
23. Order of Business but come back to it before we leave this
24. Special Session.
25. PRESIDING OFFICER: (SENATOR DONNEWALD)
26. Well, I understand that there's not a whole lot of
27. business left in the Second Special Session, it's just a
28. matter of minutes.
29. SENATOR GLASS:
30. Well, we...we can certainly put the amendments on
31. that...the committee amendments.
32. PRESIDING OFFICER: (SENATOR DONNEWALD)
33. Senator Hynes. Senator Hynes.
34. SENATOR HYNES:

1. Mr. President and members of the Senate. Senator  
2. Glass was suggesting that we adopt the committee amendments,  
3. move the bill to 3rd reading and then bring it back  
4. tomorrow for the purpose of any additional amendments, is  
5. that your suggestion?

6. PRESIDING OFFICER: (SENATOR DONNEWALD)

7. Senator Glass.

8. SENATOR GLASS:

9. Well, yeah...I think we can do that if all the  
10. amendments aren't ready. I guess that would be agreeable.  
11. That would...that would be all right if we could put on  
12. the committee amendments today.

13. PRESIDING OFFICER: (SENATOR DONNEWALD)

14. Senator Glass, with that understanding, is it...  
15. did you make the motion to adopt Amendments 1, 2, and 3?

16. SENATOR GLASS:

17. Well, I...I would like to ask the question first,  
18. whether there is any reason...if we are ready to  
19. go ahead with amendments...all the amendments today.  
20. I'm...we're going to have to face this at some point and  
21. I'd certainly want to put the committee amendments on.  
22. I did, in committee, say that I would be willing to  
23. hold it until people had an opportunity to offer amendments.  
24. And I guess the question is whether there is anyone that  
25. has amendments they would like to offer that are not ready  
26. today.

27. PRESIDING OFFICER: (SENATOR DONNEWALD)

28. Senator Hynes.

29. SENATOR HYNES:

30. Senator Glass, this is an extremely important  
31. issue as everyone is aware. And I think that in view of the  
32. fact that this Session is...is going to be short-lived today that...  
33. that it might be prudent to just adopt the committee amendments  
34. as I thought you had suggested which are, as I understand

1. it, without controversy and then any additional amendments...  
2. and there is another amendment...Floor Amendment  
3. on the Desk which would be held off until tomorrow.

4. PRESIDING OFFICER: (SENATOR DONNEWALD)

5. Senator Glass.

6. SENATOR GLASS:

7. Well, Senator, I...as I say, I am willing to  
8. do that. The only question I have is if your amendment  
9. is on the Desk, and the committee amendments which have  
10. been added in committee are on, I don't know...you know,  
11. I don't know if there's any need to call it back. I  
12. mean, I...that's why I asked the question. If there's  
13. any other Senator who plans to offer amendments, I  
14. did say in the committee, I would hold it for that purpose  
15. and I'm willing to do so. I think as everybody is aware,  
16. we're working under somewhat of a deadline on this bill.  
17. If we are going to pass the...at least the portion of the  
18. bill deferring payment of the debt, then the deadline for  
19. doing that is next Thursday, must be passed and signed so  
20. that this bill is going to have to get over to the House.  
21. Now, I certainly could hold it until tomorrow and  
22. if...if there is any Senator that requests that I do that  
23. for purposes of offering amendments that aren't ready,  
24. I'd be glad to do it.

25. PRESIDING OFFICER: (SENATOR DONNEWALD)

26. Senator Savickas.

27. SENATOR SAVICKAS:

28. Yes, Mr. President, Senator Glass. Senator Bruce  
29. has indicated a desire to try to amend Senate Bill 6 and  
30. has laid a proposed amendment on my desk. I don't know if  
31. he's talked to you. I don't see him here. He may be  
32. interested in adding one or two amendments here.

33. PRESIDING OFFICER: (SENATOR DONNEWALD)

1. Senator Hynes.

2. SENATOR HYNES:

3. Mr. President, let me suggest that we move on the  
4. committee amendments. There is an additional amendment on  
5. the Desk, let's vote that amendment up or down and then  
6. if there are other amendments that members wish to offer,  
7. Senator Glass has indicated he will bring the bill back  
8. tomorrow. I think that's fine.

9. PRESIDING OFFICER: (SENATOR DONNEWALD)

10. All right. We're in the position where we would  
11. adopt now Amendments No. 1, 2, and 3 to Senate Bill 6.  
12. Is there discussion? Senator Savickas.

13. SENATOR SAVICKAS:

14. I would move that we adopt each amendment one at  
15. a time. If there's any concern in discussion, the impact  
16. of Amendment No. 1 would just change the contribution  
17. rate that a governmental entity must pay as it enters  
18. the Unemployment Insurance Act on wages for insured  
19. from 1.5 to 1 percent.

20. PRESIDING OFFICER: (SENATOR DONNEWALD)

21. Senator Hickey.

22. SENATOR HICKEY:

23. ...have copies of any of these amendments, I don't think.

24. PRESIDING OFFICER: (SENATOR DONNEWALD)

25. These are...Senator, these are committee amendments.

26. SENATOR HICKEY:

27. Committee amendments...

28. PRESIDING OFFICER: (SENATOR DONNEWALD)

29. Yes.

30. SENATOR HICKEY:

31. And so we won't have copies of them. We're just  
32. hearing about them, that's all.

33. PRESIDING OFFICER: (SENATOR DONNEWALD)

1. That's correct. Is there further discussion? Senator  
2. Glass. ...Glass.

3. SENATOR GLASS:

4. Well, Mr. President, I am going to move the adoption  
5. of Committee Amendment No. 1 which lowers the tax rate as  
6. Senator Savickas mentioned, from 1.5 percent to 1 percent  
7. on local government employers.

8. PRESIDING OFFICER: (SENATOR DONNEWALD)

9. Is there further discussion? All right. The question  
10. is shall Amendment No. 1 to Senate Bill 6 be adopted.  
11. Those in favor indicate by saying Aye. Those opposed.  
12. The Ayes have it. Amendment No. 1 is adopted. Amendment  
13. No. 2, Senator Glass.

14. SENATOR GLASS:

15. Amendment No. 2 strikes the language in the present  
16. Act which would allow the State Comptroller to deduct  
17. amounts from State funds...grants due a public employer  
18. who fails to make the required payments. This amendment  
19. was put on in committee over my objection, but I am  
20. willing to move its adoption at this time and do so move.

21. PRESIDING OFFICER: (SENATOR DONNEWALD)

22. Is there further discussion? Senator Wooten. ...  
23. Wooten.

24. SENATOR WOOTEN:

25. Just a question, Mr. President. Why?  
26. Why that change in the bill?

27. PRESIDING OFFICER: (SENATOR DONNEWALD)

28. Senator Glass.

29. SENATOR GLASS:

30. Well, I, frankly, oppose the change, Senator Wooten.  
31. The committee put it on. It...it...I don't think, is of  
32. major consequence. It...if this...without this amendment,  
33. the...the State would be able to set off money otherwise  
due a school district or a city from the delinquent or against

1. the delinquent payments that were due the State Trust Fund on  
2. Unemployment Compensation. In other words, if a..let's  
3. say a village failed to make payment of its unemployment  
4. comp tax, the State would be able to set off whatever was  
5. due it against some sort of grant that was due that...that  
6. unit of government. I, frankly, think it is a good policy.  
7. A number of other states have it. I do concede,  
8. however, that there are other avenues available to the  
9. State to recover those delinquent funds. I don't think  
10. this amendment is of critical importance one way or the other  
11. to a bill and maybe somebody who sponsored the amendment,  
12. perhaps Senator Savickas, should speak in favor of it.

13. PRESIDING OFFICER: (SENATOR DONNEWALD)

14. Senator Savickas.

15. SENATOR SAVICKAS:

16. Yes, Mr. President, Senator Glass eloquently stated  
17. a concept behind this amendment. It's a concern of many  
18. local units of government that because they may be late,  
19. not delinquent or not repaying any funds owed to the State  
20. that may be late and thereby any State grants to their  
21. units of local government may be withheld and this could  
22. cause a problem in their appropriation procedure.

23. PRESIDING OFFICER: (SENATOR DONNEWALD)

24. Senator Glass.

25. SENATOR GLASS:

26. I should call to the attention of the Body that I  
27. do not, in fact, favor this amendment and there was a five -  
28. four party line vote in committee on it. As I said, I don't  
29. think the amendment is critical one way or the other to the  
30. overall passage of the bill. But, I...I think it's a bad  
31. policy and would frankly prefer the bill without this  
32. amendment.

33. PRESIDING OFFICER: (SENATOR DONNEWALD)

1. Senator Wooten.

2. SENATOR WOOTEN:

3. Well, Mr. President, I don't want to labor the  
4. point. I'm simply looking for some understanding on this  
5. point. I don't know why it was proposed one way and really  
6. why we proposed a change. Was the thought behind the  
7. original language that it is a safeguard for the people  
8. who work through municipalities that the premiums are paid  
9. on time or is their unemployment compensation endangered  
10. if the payment is late? It's just a point about the bill  
11. that I don't understand and I would really like to know  
12. what's in this bill before we vote on it. I would like  
13. to know exactly why it is a good thing to change the  
14. original language of the bill.

15. PRESIDING OFFICER: (SENATOR DONNEWALD)

16. Senator Glass.

17. SENATOR GLASS:

18. Senator Wooten, the witness that we produced at the  
19. committee, Thompson Ross, the...of the Department of  
20. Labor, Bureau of Employment Security, did give testimony  
21. against this amendment and indicated that a number of  
22. other States do, in fact, allow setoffs. As I say,  
23. I don't think it's a good idea to pass this amendment.  
24. It...it was put on in committee and should be acted on on  
25. the Floor. I would, as I said, prefer not to have this  
26. amendment on the bill.

27. PRESIDING OFFICER: (SENATOR DONNEWALD)

28. Senator Rock.

29. SENATOR ROCK:

30. Thank you, Mr. President and Ladies and Gentlemen  
31. of the Senate. I rise in support of Amendment No. 2  
32. for two very simple reasons. One, this provision, which  
33. was proffered in Senate Bill 6, which would allow the  
34. State to somehow impair the money due and owing to



1. local units of government. For instance, the local share  
2. of the Retailer's Occupation Tax or the local share  
3. of the Illinois Income Tax until and unless what is due  
4. and owing under the Unemployment Compensation Tax, is, in  
5. fact, paid and paid on time, is not necessary for us to be  
6. in compliance with the Federal guidelines. It...it's kind  
7. of an added extra which I don't think, frankly, we need.  
8. The Federal Government has said we don't need this kind of  
9. provision and I think to...to delegate to the State this  
10. kind of almost absolute authority over what this  
11. General Assembly has already determined to be the local  
12. units of government rightful share of taxes collected  
13. throughout this State, I think we're going too far.  
14. Amendment No. 2 would delete that provision and without  
15. the provision, we are nonetheless, in compliance with the  
16. Federal guidelines and I think the provision is unnecessary  
17. and therefore, I support Amendment No. 2.

18. PRESIDING OFFICER: (SENATOR DONNEWALD)

19. Senator Maragos.

20. SENATOR MARAGOS:

21. Senator Rock explained what I was going to say  
22. so there's no use duplicating it.

23. PRESIDING OFFICER: (SENATOR DONNEWALD)

24. Is there further discussion? Senator Mitchler.

25. SENATOR MITCHLER:

26. Mr. President and members of the Senate. I think  
27. sooner or later, this Body and the House are going to have  
28. to resolve the question of who is going to pay for the  
29. unemployment compensation payments into the fund by local  
30. units of government. And as it stands now, they are obligated  
31. to make this payment. That issue has not been resolved  
32. any other way. Now, this is good language in the bill,  
33. because this mandates the local government to pay it in and

1. if they don't pay it in, the State can withhold grants to the  
2. local units of government from the State. Now, when I use  
3. the word mandate, I'm using it in the second tense because  
4. the original mandate came from the United States Congress  
5. and I might point out right now, there was only one  
6. United States Congressman from Illinois that voted against  
7. this mandate of unemployment compensation in the form that  
8. we are trying to resolve in this Session and that was  
9. Congressman Robert Michael of Peoria. Now,...

10. PRESIDING OFFICER: (SENATOR DONNEWALD)

11. Just a moment. State your point, Senator Rock.

12. SENATOR ROCK:

13. What has this to do with Amendment No. 2?

14. PRESIDING OFFICER: (SENATOR DONNEWALD)

15. It is not germane. Please address yourself to the  
16. point, Senator.

17. SENATOR MITCHLER:

18. I won't contest the ruling of the Chair. I made  
19. my point. The thing that's in this amendment though  
20. gives the State the right to withhold funds if the  
21. local units of government fail to comply with the Federal  
22. mandate as passed down to the states. Now, these are some  
23. of the arguments that will be considered in this Body and  
24. in the House as we address ourself before November 10th  
25. to some of these very important problems. This is a bad  
26. amendment. I mean this is a bad amendment to take this out  
27. and let's leave it in. Vote No.

28. PRESIDING OFFICER: (SENATOR DONNEWALD)

29. Is there further discussion? Senator Glass, you have the  
30. privilege of closing if you wish. Senator Glass.

31. SENATOR GLASS:

32. Well, I...Mr. President and Ladies and Gentlemen, would  
33. simply reiterate some what what has already been said against  
34. passage of this amendment. It seems to me only logical that if

1. a school district or other unit of government owes the  
2. State some money and isn't paying it, the State should be  
3. able to deduct that amount from other money that the  
4. State has that's due that government. It seems very simple  
5. and it's a bad precedent to take that language out so I  
6. would urge a No vote on this amendment.

7. PRESIDING OFFICER: (SENATOR DONNEWALD)

8. The question is shall Amendment No. 2 be adopted.  
9. Just a moment. Senator Rock.

10. SENATOR ROCK:

11. How does one who urges the defeat of an amendment,  
12. how is he allowed to close the debate in support of the  
13. amendment? I don't understand that.

14. PRESIDING OFFICER: (SENATOR DONNEWALD)

15. Well, originally, Senator...Senator Glass volunteered to  
16. explain the amendment and opened the debate.

17. SENATOR ROCK:

18. Is he moving now, the adoption of Amendment No. 2?

19. PRESIDING OFFICER: (SENATOR DONNEWALD)

20. Well, at first he did. He moved and he...then he,  
21. as I understood him, he requested...

22. SENATOR ROCK:

23. He started listening to Senator Mitchler...

24. PRESIDING OFFICER: (SENATOR DONNEWALD)

25. ...that this side of the aisle not support his...

26. SENATOR ROCK:

27. ...and he got himself thoroughly confused. Thank you  
28. very much.

29. PRESIDING OFFICER: (SENATOR DONNEWALD)

30. Senator Hynes.

31. SENATOR ROCK:

32. I would move the adoption, Mr. President, of Amendment  
33. No. 2 so that there is no misunderstanding...

1. PRESIDING OFFICER: (SENATOR DONNEWALD)

2. Well, there will be no...

3. SENATOR ROCK:

4. ...and I will suggest to the Gentlemen who are  
5. so eloquent on the other side, that you will be hearing from,  
6. I hope, your school districts, because, in fact, what this  
7. says is that without this amendment, the State would have  
8. the absolute authority to hold up, for instance, payments  
9. due to school districts under the Distributive Aid  
10. Formula on the basis that somehow this local unit of  
11. government has failed to make the proper contribution  
12. to unemployment compensation. It just simply doesn't  
13. make any sense and I would move the adoption of Amendment No. 2.

14. PRESIDING OFFICER: (SENATOR DONNEWALD)

15. Senator Hynes.

16. SENATOR HYNES:

17. Well, Mr. President, I would second and echo Senator  
18. Rock's comments and I'd like to make one additional  
19. point and that is that as Senator Glass so eloquently pointed  
20. out, this is not a critical factor in the bill as far  
21. as most of the proponents are concerned. The bill itself,  
22. when it is finally up for 3rd reading and final passage,  
23. contains many controversial aspects and it seems to me that  
24. wisdom and good, sound legislative judgment would indicate  
25. that on an amendment of this kind, which is not critical  
26. to the operation of the bill, that one would not want to run  
27. the risk of losing votes on the most...on the more important  
28. parts of the package and until this moment, we expected this  
29. amendment to go on without any problem and the...the sponsor  
30. of the bill, in fact, so indicated in his opening remarks.  
31. So, I think we ought to put the amendment on and if there  
32. is some overwhelming problem, take another look at it tomorrow.

33. PRESIDING OFFICER: (SENATOR DONNEWALD)

1. Is there further discussion? Senator Glass.

2. SENATOR GLASS:

3. Well, I just wanted to make my position clear to the  
4. Body that now that Senator Rock has moved the adoption of  
5. the amendment and...and I guess, closed the debate,  
6. I wanted to make it clear that I am going to vote No on  
7. this bad amendment.

8. PRESIDING OFFICER: (SENATOR DONNEWALD)

9. I think you have made that clear.  
10. Senator...is there further discussion? Does anyone else  
11. want to close the debate? Senator Rock now moves that  
12. Amendment No. 2 be adopted to Senate Bill 6. Those in  
13. favor vote Aye. Those opposed Nay. The voting is open.  
14. Have all those voted who wish? Take the record. On that  
15. question the Ayes are 32, the Nays are 24. Amendment  
16. No. 2 to Senate Bill 6 is adopted. Amendment No. 3.  
17. Now, do you want to explain that, Senator Glass?

18. SENATOR GLASS:

19. Well, Mr. President...

20. PRESIDING OFFICER: (SENATOR DONNEWALD)

21. Senator Glass.

22. SENATOR GLASS:

23. ...Ladies and Gentlemen. I...this is, indeed, a  
24. noncontroversial amendment which makes it clear that  
25. religious schools are exempt from the application  
26. of the Act and I move the adoption of the amendment.

27. PRESIDING OFFICER: (SENATOR DONNEWALD)

28. Is there further discussion? Senator Bruce.

29. SENATOR BRUCE:

30. I would just like to have some explanation of  
31. ...of why religious schools who hire all kinds of maintenance  
32. people, who have...serve the function of public schools, should  
33. be exempt? I mean, they...they, for a large degree, hire  
34. teachers, hire maintenance people, janitors, bus drivers and

1. the same thing that public school would be doing. Why the  
2. distinction?

3. PRESIDING OFFICER: (SENATOR DONNEWALD)

4. Senator Glass.

5. SENATOR GLASS:

6. Senator Bruce, in...in the committee, this amendment  
7. was offered and there were representatives from the U.S.  
8. Department of Labor, as you know, in Springfield yesterday.  
9. One of them...one of the attorneys was at the hearing  
10. and pointed out to the Gentleman who was...who was interested  
11. in having this amendment added, that he didn't think it really  
12. needed to be added because the...an exemption was  
13. already written into the Unemployment Comp Act that  
14. excluded certain religious organizations. There were some  
15. Supreme Court decisions cited, et cetera and after some  
16. discussion, the Labor Department agreed that this  
17. amendment was simply a clarifying amendment of the  
18. existing law. So, based on that representation, I have  
19. no objection to it.

20. PRESIDING OFFICER: (SENATOR DONNEWALD)

21. Is there further discussion? The question is shall  
22. Amendment No. 3 to Senate Bill 6 be adopted. Those in  
23. favor indicate by saying Aye. Those opposed. The  
24. Ayes have it. Amendment No. 3 is adopted. Are there  
25. further amendments?

26. SECRETARY:

27. No further committee amendments.

28. PRESIDING OFFICER: (SENATOR DONNEWALD)

29. Are there amendments from the Floor?

30. SECRETARY:

31. Amendment No. 4 offered by Senators Savickas and Hynes.

32. PRESIDING OFFICER: (SENATOR DONNEWALD)

33. Senator Savickas.

1. SENATOR SAVICKAS:

2. Yes, Mr. President, Ladies and Gentlemen of the  
3. Senate. Amendment No. 4 would provide that...would allow  
4. that all governmental entities where employment is  
5. performed but is excluded from the definition of  
6. employment in the Federal Unemployment Tax Act, which,  
7. in effect, basically is every local unti of government  
8. and...any entity, the right to have the State pay the  
9. benefits to individuals on the basis of wages paid to them  
10. for insured work. The impact is that this amendment would  
11. allow the governmental entities in Illinois, the right  
12. to elect to have the State pay the benefits for unemployment  
13. compensation. I would move its adoption.

14. PRESIDING OFFICER: (SENATOR DONNEWALD)

15. Is there further...Senator Glass.

16. SENATOR GLASS:

17. Thank you, Mr. President. A question of Senator  
18. Savickas.

19. PRESIDING OFFICER: (SENATOR DONNEWALD)

20. Indicates he will yield.

21. SENATOR GLASS:

22. Senator, I was just handed a copy of this amendment.  
23. I, frankly, would prefer to have discussion on it and to vote  
24. on ~~it~~ tomorrow as long as the bill will be called back and  
25. other amendments will be offered. I wonder, first of all,  
26. if you would agree to do that.

27. PRESIDING OFFICER: (SENATOR DONNEWALD)

28. Senator Savickas.

29. SENATOR SAVICKAS:

30. Well, Senator Glass, that was our first offer before  
31. you changed your mind. When you wanted to proceed that it  
32. was my opinion then that we will proceed and vote this up or  
33. down at this point. So, I would...at this point, move that this

1. amendment be adopted.

2. SENATOR GLASS:

3. Well, Senator, if I may, I was prepared to do that  
4. and am, in fact, Senator Hynes, then indicated, as I  
5. understood, he would like...like the bill held on  
6. 3rd with the understanding it would be brought back.  
7. It's up to you. If you want to go ahead with it, we'll  
8. ...we'll discuss it today. All right.

9. PRESIDING OFFICER: (SENATOR DONNEWALD)

10. Senator Hickey.

11. SENATOR GLASS:

12. All right. I want to comment on the merits, if I can.

13. PRESIDING OFFICER: (SENATOR DONNEWALD)

14. Just a moment. Senator Glass, you may proceed.

15. SENATOR GLASS:

16. Well, if Senator Hickey has a question, I'll  
17. yield, but I would like to be recognized after that.

18. PRESIDING OFFICER: (SENATOR DONNEWALD)

19. Just a moment. Senator Hickey.

20. SENATOR HICKEY:

21. ...the amendment, please. Just a copy, that's all I want.

22. SENATOR GLASS:

23. All right.

24. PRESIDING OFFICER: (SENATOR DONNEWALD)

25. Senator Glass.

26. SENATOR GLASS:

27. All right. Senator Savickas, if this amendment  
28. is adopted, will the State of Illinois be required to pay  
29. all costs to local governments of...of their unemployment  
30. compensation tax?

31. SENATOR SAVICKAS:

32. Yes.

33. SENATOR GLASS:

All right.



1. SENATOR SAVICKAS:

2. Yes, they would...the local unit would have the  
3. ability to elect that the State pay their share, or they  
4. can pay it themselves. They can elect to pay it themselves  
5. or have the State pay it.

6. SENATOR GLASS:

7. Oh, they could elect to pay it themselves. That's  
8. ...that's swell. They...on the other hand, they could elect  
9. to have the State of Illinois pay the entire amount. Do you have  
10. any idea, Senator, how much that would be that the State of Illinois  
11. would have to pay, just...let's say next year?

12. PRESIDING OFFICER: (SENATOR DONNEWALD)

13. Senator Savickas.

14. SENATOR SAVICKAS:

15. At this point, it's undertermined and there's no  
16. way we can determine exactly what a cost would be. This is  
17. basically why there was agreement to reduce the entry rate  
18. for municipal and governmental employees. I'm sure it would  
19. take at least a year or eighteen months to develop the  
20. experience factor. In the meantime, the Federal Government  
21. is picking up for those eighteen months, the full  
22. ...the full charge themselves. It's my understanding at our  
23. meeting that...the other morning in Representative Ryan's  
24. office, that the Federal Government will be paying for it  
25. until we develop that experience ratio...experience factor  
26. and know basically what we will be doing.

27. SENATOR GLASS:

28. Well, Senator, let me, if I may, correct you on  
29. that last statement. The law, in fact, is that the Federal  
30. Government will reimburse those units of government who elect  
31. to reimburse the fund themselves for the cost of unemployment  
32. comp but will not pay any money directly to those units of  
33. government that are taxed so that there could be a State cost

1. involved there. Furthermore, the commitment of the Federal  
2. Government and I think everybody should be aware of this,  
3. is...is to pay one hundred percent of that reimbursement cost  
4. through June 30th, 1978, the next calendar quarter which would  
5. be July 1st through October of 1979. That drops to three  
6. quarters. In the next quarter, it drops to only a half  
7. so there still is quite a bit of money that would have to  
8. come out of the State coffers. We have heard estimates  
9. ranging in the forty millions of dollars. I don't know if that  
10. is right or not but in any event, whatever amount it is,  
11. Senator, I think it's only responsible before offering an  
12. amendment like this, that you also indicate from what  
13. department of State Government or from what program you're  
14. going to take that money out of. You know, if it doesn't...  
15. if the State pays it, it has to come out of...out of some  
16. other program, education, mental health or something else.  
17. And I wonder if you have any idea of...or if you could  
18. suggest where that money ought to be taken.

19. PRESIDING OFFICER: (SENATOR DONNEWALD)

20. Senator Harber Hall.

21. SENATOR GLASS:

22. Well, that was a question, Mr. President.

23. PRESIDING OFFICER: (SENATOR DONNEWALD)

24. Oh, I'm sorry.

25. SENATOR GLASS:

26. I have several others.

27. PRESIDING OFFICER: (SENATOR DONNEWALD)

28. All right. Proceed.

29. SENATOR SAVICKAS:

30. Well, I think, again, Senator Glass, it's the  
31. assumption that it's going to be some huge amount of money  
32. that we're talking about. As you said yourself, that this is  
33. an assumption. You do not know how much it will cost.

1. The assumption is that public bodies will have massive  
2. work stoppage and layoffs and unemployment. And that has  
3. not been the history or the true case of governmental  
4. employment. It's been a very low experience factor.  
5. I would suggest that this legislation, if it's shown that  
6. the State cannot bear it, can be changed within the next  
7. Session. We will, by then, after January when we fall into  
8. compliance under this law, we will have January, February,  
9. March, April, May, June, and July...all these months that  
10. we can develop an experience factor and make necessary  
11. adjustments. I see no problem with adopting this  
12. amendment, that if the costs are very little, it's a cost  
13. that should be shared by the State that shouldn't be burdened  
14. onto our local units of government. Senator, we have  
15. counties and municipal governments in the State of  
16. Illinois that cannot now pay their officials. How can we now,  
17. because our congressional representatives have forced  
18. this upon us, ask them to go deeper in debt in their own  
19. counties and municipal governmental units? The cost  
20. may be negligible. We don't know that. But I am sure  
21. after we do develop experience factor, we can adjust the  
22. necessary cost factors from the State or local units.

23. SENATOR GLASS:

24. Well, Senator Savickas, if I may speak to the bill,  
25. there is absolutely no justification for saying that the  
26. State ought to bail out the local governments because  
27. the Federal Government has imposed this upon us and  
28. I...I would remind you...all of that, that our congressional  
29. delegation, not to a man, but almost so, voted in  
30. favor of this legislation with a few notable exceptions.  
31. This is a Federal requirement and we, as a State Legislature,  
32. are being asked to do something about it and it is wrong  
33. to have...it is wrong to have State funds used for this

1. Purpose and I would point this out to you when a private  
2. employer has to pay his own bills, that private employer  
3. polices the incidents of unemployment and seeks to achieve  
4. a good experience rating, but if the State of Illinois picks  
5. up that bill for all the local governments, there is  
6. absolutely no incentive for those local governments  
7. to have a good experience rating, in fact, just the  
8. opposite. They can put people on unemployment  
9. with the full knowledge that the State will pay all the  
10. costs and it is an invitation, in fact, for them to do that.  
11. This would be a horrendous precedent to set to have the  
12. State of Illinois and I might remind you, this bill makes it  
13. in perpetuity. There is no cut off date to have the State  
14. of Illinois pick up the tab for this...this cost that is  
15. so uniquely local, that is a replacement for local wages.  
16. So, this bill, which would...would impose on the State of  
17. Illinois well beyond its means, burden...virtually an  
18. unending burden would be a very dangerous precedent. I  
19. strongly urge its defeat.

20. PRESIDING OFFICER: (SENATOR DONNEWALD)

21. Senator Rock.

22. SENATOR ROCK:

23. Thank you, Mr. President and Ladies and Gentlemen of the  
24. Senate. I rise in support of Amendment No. 4 and if I can  
25. take issue with Senator Glass on a couple of the premises  
26. on which he based his argument against Amendment No. 4.  
27. Number 1, the estimate of around forty million dollars  
28. was predicated upon an entry rate by the local units of government  
29. at 1.5. We have, by virtue of Amendment No. 1, now lowered  
30. that to 1. so let's assume for the sake of Senator Glass'  
31. argument that we would be talking about somewhere in the  
32. neighborhood of thirty million dollars, if, in fact,  
33. all units of local government, that is the twelve hundred

1. plus school districts and the twelve hundred municipalities  
2. and the hundred and two counties in fact, opted to contribute  
3. at a 1. level. Now, under the legislation as proposed,  
4. those units of local government have a second option. They  
5. can opt, in fact, to be self-insured, to pay back to the  
6. fund only according to claims actually paid. What we are saying  
7. by virtue of this amendment, is that if, in fact, there is  
8. to be any cost, which I suggest to you and suggest strongly  
9. and Senator Glass was at the same meeting I was present at  
10. yesterday with the Federal officials, that, in fact,  
11. given the...the transition period expenses that the Federal  
12. Government has agreed to pay, it appears at this point and  
13. the Gentleman from the Federal Government said so yesterday,  
14. that the local units of government, in fact, will pay nothing  
15. for the first year and so I think this amendment is more  
16. symbolic than it is real. What we are saying to all the units  
17. of local government who are now mandated into this program  
18. by no action of ours but by that of the United States  
19. Congress, is at...stop consider what the program is and  
20. what it means and how you can best pay for it and provide for  
21. it in your next year's budget. In the meantime, we want to  
22. assure you as the Federal Government has assured us, that,  
23. if, in fact, there is any cost, one, we believe the Federal  
24. Government will pick it up and two, if, in fact, they don't,  
25. the State of Illinois will pick it up and that's really  
26. all we're saying. The dollar amount, I think, is virtually  
27. nil because the Federal Government has, in fact, told us that  
28. they intend, they have been mandated by Congress,  
29. to provide for a transition period set of costs which they  
30. feel will more than adequately reimburse any expense to the  
31. local governments. But what we are attempting to say by  
32. virtue of this amendment to all those units of local government  
33. is that don't be afraid, dear friends in the local governments

1. because if, in fact, there is any cost, that the Feds  
2. won't pick up, the State of Illinois will pick it up and  
3. I would ask you to consider the alternative, the alternative  
4. for all the school districts and the park districts  
5. and the cities and the counties is, in fact, an increase in  
6. the property tax. And I would ask those who vote No on  
7. this amendment to get up immediately thereafter and propose  
8. an increase in the property tax and then go home over the  
9. weekend. I urge support of Amendment No. 4.

10. PRESIDING OFFICER: (SENATOR DONNEWALD)

11. There are at least six more requesting to address  
12. this issue. Senator, with that in mind, Senator Harber Hall.

13. SENATOR HALL:

14. Would the sponsor of the amendment stand for a  
15. question?

16. PRESIDING OFFICER: (SENATOR DONNEWALD)

17. He indicates he will.

18. SENATOR HALL:

19. I wonder, Senator Savickas, if there's anything  
20. in here...I've looked at it. I can't find anything in here  
21. that has a time limitation on...on the period that the State  
22. would pick up these costs. Did...to be in here? Have you  
23. overlooked putting in there a year limitation?

24. PRESIDING OFFICER: (SENATOR DONNEWALD)

25. Senator Savickas.

26. SENATOR SAVICKAS:

27. No, you're very correct, Senator Hall. There is no  
28. limitation. It wasn't overlooked. And I have no intention  
29. of offering a limitation. I think Senator Rock has most  
30. eloquently expressed the total concept of this legislation  
31. in that it is in reality a symbolic piece of legislation  
32. at this time. If there are to be changes, they can very  
33. easily be done in the next Session but I think we should all

1. at this critical time, assure our local units of  
2. government that we, as their legislators,...

3. PRESIDING OFFICER: (SENATOR DONNEWALD)

4. Just...just a moment. Senator Harber Hall, for what  
5. purpose do you arise?

6. SENATOR HALL:

7. I asked a simple question. A simple Yes or No should  
8. suffice. He's already spoken on his amendment. I just  
9. want that question answered. May I continue?

10. PRESIDING OFFICER: (SENATOR DONNEWALD)

11. Just a moment. Senator Savickas, have you answered  
12. Yes or No?

13. SENATOR SAVICKAS:

14. I answered very clearly that this legislation was introduced  
15. knowingly in its present form for the purpose of helping  
16. our local units of government.

17. PRESIDING OFFICER: (SENATOR ROCK)

18. Senator Hall.

19. SENATOR HALL:

20. Then if I may speak on the amendment, this is not  
21. a symbolic amendment, Ladies and Gentlemen of the Senate.  
22. This is a very serious, a very important amendment  
23. and I'll tell you why it's not symbolic but it is bad.  
24. This would place in perpetuity the burden of all local  
25. governments cost of paying the cost of unemployment compensation  
26. for their employees. Now, I would say even if the State were  
27. prepared to do that financially, even if the system of  
28. taxation of the people, in order to pay these costs through  
29. the State, were defensible, it's still a bad bill because you  
30. would lose all control. You would have patronage organization,  
31. hiring people for short periods of time and then letting  
32. them go on the unemployment rolls because those costs of  
33. unemployment would be borne by the State taxpayers. You would...

1. you would have no incentive for the administrators in  
2. municipalities and other governmental districts, to  
3. check up on what happened to their employees who quit work  
4. for apparently no reason, to verify that they did not quit  
5. for a good cause as the law provides. So, you just have  
6. no incentive to stop the welfare...the...the people who take  
7. advantage of our very lax laws in Illinois. So, it would be  
8. in an ever increasing cost. It would be ever inviting  
9. to an expanding role of those who would freeload on the  
10. system and so I...for those reasons, I suggest we vote it  
11. down.

12. PRESIDING OFFICER: (SENATOR ROCK)

13. Senator Soper. Senator Schaffer.

14. SENATOR SCHAFFER:

15. Senator Savickas, I was wondering, I think there would  
16. be a lot more enthusiasm on this side of the aisle,  
17. for this amendment, if it included a home rule exemption.  
18. Have you considered that?

19. PRESIDING OFFICER: (SENATOR ROCK)

20. Senator Savickas.

21. SENATOR SAVICKAS:

22. I'm sorry, Senator. Representative Hanahan was here  
23. talking to me about a few more amendments that should be  
24. offered and I didn't hear your question.

25. PRESIDING OFFICER: (SENATOR ROCK)

26. Senator Schaffer.

27. SENATOR SCHAFFER:

28. Listening to Representative Hanahan generally does  
29. get you in trouble. My question is have you considered  
30. a home rule exemption on this amendment. I think there  
31. would be a lot more enthusiasm on this side of the aisle if  
32. you had this exemption in your proposal.

33. PRESIDING OFFICER: (SENATOR ROCK)



1. Senator Savickas.

2. SENATOR SAVICKAS:

3. Well, Senator, if you draw up the amendment, I'm  
4. sure that we can discuss amongst our members to draw  
5. some support for you.

6. PRESIDING OFFICER: (SENATOR ROCK)

7. Senator Schaffer.

8. SENATOR SCHAFFER:

9. My point clearly is to point out that the number  
10. one beneficiary of this proposal is, of course, the largest  
11. city in the State, the City of Chicago and I think I know  
12. where you're coming from, Senator.

13. PRESIDING OFFICER: (SENATOR ROCK)

14. Further discussion? Senator Mitchler.

15. SENATOR MITCHLER:

16. Mr. President and members of the Senate. I'm going  
17. to oppose this amendment and some of the remarks that were  
18. made about the fact that the Federal Government has  
19. agreed to pay to local units of government their cost for  
20. this unemployment insurance during a transition period.  
21. As Senator Glass pointed out, that they will pay the total cost  
22. for the first six months and then one-half the cost for the  
23. next quarter, then one quarter of the cost for the next  
24. quarter. Then they will cease to pay this. And then, of  
25. course, local units of government would have to find a source  
26. of revenue to pay for their unemployment compensation  
27. for their public employees. What this amendment does, it says  
28. that the State will pay for the cost of unemployment  
29. compensation insurance for local units of government for  
30. public employees in perpetuity, not for a transition period,  
31. but forever. When that point was brought out, I believe it  
32. was Senator Rock pointed out, that if we don't do this,  
33. it will mean that local units of government including  
school districts, sanitary district, park districts, all of these

1. units...units of government that we have, will have to have  
2. an increase in local real estate taxes to pay for this  
3. cost which will approximately be throughout the United  
4. ...throughout the State of Illinois, from thirty to forty  
5. million dollars annually. That's an estimate. We don't  
6. know exactly. Now, why we lowered from 1.5 to 1.0 percent  
7. of the amount of the tax to be collected for this unemployment  
8. compensation insurance from the local units of government  
9. was to help them during the transition period that the  
10. Federal Government is picking up the tab to get some money  
11. into a fund so that when the local units of government  
12. have to start paying for this compensation for unemployment  
13. insurance, that they will have something in the fund and they  
14. won't be socked with a big bill right off the bat.  
15. And one point could very well be very low. And I assume  
16. very much that it will be low. But let me point out to  
17. you, you think you're throwing a scare into this Senator by  
18. the fact that I'm not picking up the tab for local units  
19. of government and it's going to fall on local real estate?  
20. No, Sir. I'm pointing out to the people in Congress  
21. that mandated this on the local school units to pay for this  
22. out of local real estate taxes and they're going to know  
23. about it, don't think they're not going to know. I've got  
24. the roll call and I'm telling them and there's only one  
25. United States Congressman from Illinois that voted  
26. against it and that was Robert Micheal of Peoria.

27. PRESIDING OFFICER: (SENATOR ROCK)

28. Senator Graham.

29. SENATOR GRAHAM:

30. Mr. President and members of the Senate. As a  
31. kind of a sage observation, as we hear the eloquence  
32. that comes forth with regard to if the Federal Government  
33. doesn't pick it up, the local taxpayers are going to.

1. I think, members of the Senate, that we all too long, have  
2. deleted our thinking and tried to brainwash the taxpayers  
3. of the State of Illinois into thinking that this Federal  
4. money is something **free**, something free. Somebody is  
5. going to pay the bills and taking a...a line out of a  
6. speaker that used to appear quite eloquently on this Floor  
7. many times, he said, you know who it's going to be.  
8. That poor, old stiff on the street is going to pay the bill  
9. anyway. Now, if we finally get down to an analyzation  
10. whether we have to do something locally as opposed to what  
11. we do Federally, I think on a purely economic basis, we could  
12. take into account the fact that every dollar that we  
13. get back from the Federal Government we send about a  
14. dollar and eighty-five cents up there to get it.  
15. We often lose sight of the fact that we're paying the  
16. freight both ways on that Federal money. So, let's  
17. don't delude our thinking into think...thinking that any  
18. participation on this part at all from the Federal Government  
19. is going to be free to the taxpayers of the State of Illinois  
20. because that's not true.

21. PRESIDING OFFICER: (SENATOR ROCK)

22. Senator Wooten.

23. SENATOR WOOTEN:

24. Mr. President and colleagues. I would like to  
25. suggest a timetable for addressing this problem. It has  
26. been pointed out on both sides that the Federal Government  
27. will soften the impact of the initial cost of this program.  
28. Ladies and Gentlemen of the Senate, please take note of the  
29. special problems that we get into with units of local  
30. government. According to our present rules of eligibility,  
31. all that temporary help hired by various units of local  
32. government, are going to come under unemployment compensation.  
33. So, it would seem to me the sane thing to do is to not adopt the

1. amendment now since we know that the cost is going to be taken  
2. care of in major part by the Federal Government. Then we  
3. have those months enumerated by Senator Savickas, to look  
4. more closely at the problem. I am bothered by the fact that this  
5. does not have a one year limitation on it. If so, I'd vote  
6. for it because it's purely symbolic, absolutely so, but if  
7. we once put that on, and our local units of government get into  
8. the kind of trouble I think they will with temporary help,  
9. and we don't settle that situation next Spring, we are going  
10. to be in some kind of trouble trying to get this language  
11. out of the bill. Once it's law, we're just not going to get  
12. rid of it and the State will be stuck. I suggest the rational  
13. thing to do is to defeat the amendment, let the Federal  
14. Government help bear the cost, look at the problems of  
15. eligibility and then come back and address this. That is the  
16. only proper sequence for dealing with this problem.

17. PRESIDING OFFICER: (SENATOR ROCK)

18. Senator Nimrod. Senator Lemke.

19. SENATOR LEMKE:

20. Mr. President, members of the Senate. We sit here and  
21. listen to some Senators saying the prime benefit is going  
22. to be the part of my district, the City of Chicago...with this.  
23. But we better start looking and if we're going to start waiting  
24. on the Federal Government to give us money, we better...  
25. we're going to hold our hat in our hand because the money  
26. isn't going to be there. And we talk about who is the prime  
27. beneficiary under here, it's a very simple prime beneficiary  
28. in this State, and that's the man that pays the real estate  
29. taxes, that's you, I and our constituents that own property  
30. or rent and pay through the nose on real estate taxes...maximum  
31. and we hear the cries all over the suburbs in Cook County  
32. and the homeowners in the City of Chicago about real estate  
33. taxes, but we keep mandating at...states and Federal Governments  
more costs on local government and taxing them more and the

1. only place the local government can get their money is through  
2. real estate taxes. Well, I'm telling you, Gentlemen, the  
3. people in the State of Illinois are sick and tired of paying  
4. real estate taxes for programs that the State of Illinois  
5. has mandated or the Federal Government. And this amendment  
6. gives us the opportunity to say to the local governments  
7. and more important, to say to the real estate taxpayers  
8. that we're looking out for your interests, Sir. You buy  
9. a building and we hear the cries that we're going to chase  
10. business out of this State. Well, I'm telling you, you keep raising  
11. real estate taxes, you won't have to worry about people  
12. unemployed, because there won't be nobody in Illinois, they're  
13. going to go where the real estate taxes are low and where they  
14. have to because they're not going to be able to afford  
15. real estate taxes or own a home. Now, that's what you want  
16. to do, then fine. You tax the local governments again.  
17. I won't stand party to the local governments getting taxed  
18. because my people own buildings and they pay their real  
19. estate taxes every month. They're not in high rises, they're  
20. not the wealthy and by this amendment, I'm telling you  
21. this, and I'm talking to the colleagues on my side of the aisle  
22. of the Democratic party, we represent the people of the State of  
23. Illinois, the people that work and scrape for a living.  
24. We're a multiplex of farmers and everything else. We don't  
25. represent big business and we don't represent the rich and  
26. by this amendment, it's going to put the burden on the State  
27. of Illinois and the State of Illinois will have to take  
28. procedures to raise taxes and let the man that put this  
29. bill in, the Governor of this State, put in a bill now  
30. to raise taxes so we can pay these costs to local governments.  
31. Let's not be chickened out and pass it on down to local  
32. government so they have to put it on and I urge...support of  
33. this amendment to be attached to this bill.

1. PRESIDING OFFICER: (SENATOR ROCK)

2. Further discussion? Senator Shapiro.

3. SENATOR SHAPIRO:

4. Well, Mr. President and Ladies and Gentlemen of the  
5. Senate. I think in all due respect to the arguments in  
6. support of this bill, I haven't detected any great  
7. clamor from any of our units of local government including  
8. school districts for a program of this type and specifically  
9. for this amendment. And I really don't think we should be  
10. treating one class of employer any different than we treat  
11. other classes of employers as it concerns this program.  
12. I think it would very definitely be a poor practice to in-  
13. stitute a program on this type...of this type because  
14. very definitely those units of local government would be  
15. lax in enforcing the provisions of our Unemployment  
16. Compensation Act and I think it would very definitely  
17. subsidize a patronage system throughout the State.  
18. Now, in answer to the argument that local governments do not  
19. have the funds, I want to point out that they can use  
20. Federal Revenue Sharing Funds for this type of program to  
21. pay for it. For those units of local government that  
22. choose the reimbursement rate, there is a Federal program  
23. to reimburse them for that program...for that type of action  
24. if they choose so. So with the use of the Federally  
25. funded program for reimbursement, and the fact that they do  
26. have Federal Revenue Sharing Funds which many of them  
27. now spend on capital projects and that which they can use  
28. to fund if they go the insurance rate, I think that this  
29. amendment is a poor amendment and symbolic or not, it should  
30. be defeated.

31. PRESIDING OFFICER: (SENATOR ROCK)

32. Further discussion? Senator Soper.

33. SENATOR SOPER:

1. Thank you, Mr. President. Now, I know everybody is  
2. trying to make a political issue out of this thing and  
3. I can understand, but if the...my friend there, good  
4. friend, my half Bohemian, Lemke...Senator Lemke, you know,  
5. he says that the Governor put this on the people of the  
6. State of Illinois. Well, I have to remind him that this  
7. is a Federal mandate. It's a Federal law. We had nothing  
8. to do with it and the last time I counted the heads in the  
9. ...in Congress I didn't know that we could pass a Republican  
10. bill out there. But notwithstanding that, we all know  
11. that if you...if you have a proposition or...or if you have  
12. a payroll that you don't have to meet and somebody else has  
13. to meet, you don't give a...good gosh darn how much money  
14. you spend. Now, the whole thing is controlled on this.  
15. When we...when we lose control by having somebody else pick  
16. up a tab, then we're not very careful of who we put on the  
17. payroll or who the money is paid to. So, if we've got some  
18. sense, we'll know that if we say the State has got to pick  
19. it up, the State, the same doggone people that pick  
20. up the Federal tab, the State tab and the local tab. It's  
21. just to get some control over these...over these...these  
22. things that are happening. Everybody wants to give everybody  
23. something but nobody wants to pay for it. I said this  
24. before, there's no free lunch. Now, if you're going to...  
25. if you're going to mandate these things, the Federal Government  
26. is going to mandate them and...then you want to mandate the  
27. State to pick them up and the people that are going to be the  
28. ones that are supposed to control this thing, aren't going to  
29. control it? It's going to get out of hand, I'll tell you  
30. one thing. If we don't have self-discipline in this country,  
31. we're going to end up with enforced discipline and somebody is  
32. going to call you up in the morning and say tomorrow you're  
33. in the salt mines. And that's where you'll go and that  
happened and it's happening all over the world. So, let's

1. quit kicking this thing around and saying, well, we've got  
2. election coming on. It's the Governor, it's Congress or  
3. what. Now, we've got this doggone thing, let's be sensible  
4. about it. Let the people who are going to pay for it,  
5. locally, control it. And then they'll get to their  
6. representatives, they'll get to the school boards, they'll  
7. get to the...they'll get to the county people, they'll  
8. get to the city people and they'll say here, you put a  
9. lot of people on that payroll just to get them on  
10. unemployment compensation. Now, we're going to knock  
11. your box and take you out of control of this thing  
12. and you're gone. Now, if you mandate the State of Illinois  
13. to do this thing, you won't have that control, so I say  
14. it's simple. You can either have control or lose  
15. control. I think this amendment should be defeated.

16. PRESIDING OFFICER: (SENATOR ROCK)

17. Further discussion? Senator Bruce.

18. SENATOR BRUCE:

19. Thank you, Mr. President and members of the Senate.  
20. If I were an umpire down here, after one week I think I would  
21. say to play ball because we seem to have gotten down to the  
22. silly season in Springfield. No one, I think, in this  
23. Floor believes that this bill will leave the Senate  
24. in the form that it might be amended into by this amendment.  
25. There are four things that I see that we've got to sit down  
26. and discuss, both Republicans and Democrats, I think,  
27. should get serious about the problem of unemployment  
28. insurance. First of all, obviously, it's been raised, is  
29. how long is this program is going to go on and I, for one,  
30. will not support a program that continues ad infinitum. One  
31. year seems to be a good place to start. This Legislature  
32. will be back surely in time to respond to a one year  
33. limitation. Secondly, we ought to think about a loan



1. program, as raised by other speakers. What happens when  
2. we tell the local units of government that we'll pick up  
3. the tab, they'll stay on for a long time. So up front we ought to  
4. tell them, look, there's a one year limitation and by the  
5. way, this is not a grant to local government. We didn't  
6. put the burden on you. The Federal Government did. We'll  
7. loan you the money, get you over one year hump and after  
8. that, you're going to have to pay us back, maybe in three  
9. years. I think that is something we ought to talk about.  
10. I think Senator Harber Hall brought up the problem. What's  
11. the incentive for local governments? We're going to have to  
12. something in this bill that says, look, if you hire forty  
13. people in Rockford, let them earn two hundred and fifty  
14. dollars in a quarter and lay them off, the State of Illinois  
15. is not going to bail you out. That's your problem, not our  
16. problem. We're going to have to have something in here  
17. to local governments to say look, we may, for one year,  
18. we may put a limit on it, we may loan it to you, the other  
19. side of the coin is, if you goof up, it's going to  
20. be your problem, not our problem, so we ought to say,  
21. if you have high unemployment among your city employees  
22. we're not going to pick up anything. We may pick up a  
23. hundred percent of the first employees, but eighty percent  
24. of those after a certain percentage and then down to nothing  
25. if you have high unemployment. Fourth, I think that if it's  
26. so assured by the Federal Government and I'm getting more  
27. and more worried about the Federal Government, that is if  
28. they're going to pay all this money back, let's just say  
29. up front, if you get paid back by the Federal Government,  
30. you don't have to pay anything. Everyone has told me here  
31. that the Federal Government has already told us that  
32. there's a start-up cost, that they're going to come forward  
33. with millions of dollars to bail out the local governmental  
units, that's fine. If that's going to happen, let's put it in

1. the bill. Let's say to the extent that you are reimbursed,  
2. the State is not liable. But that is not in the amendment.  
3. In fact, the Federal Government Reimbursement Program is  
4. not mentioned at all. And if that's the important component,  
5. in this whole proposition, let's put it in. Let's be  
6. up front about it and I just think, frankly, I'm still  
7. undecided as to how to vote on this. I think that this is  
8. certainly not the way the way the bill is going to leave here.  
9. I'm willing, from time to time, to rise above principle  
10. and vote for a bad amendment, but this early in the season,  
11. I am...I am reluctant. Thank you, Mr. President.

12. PRESIDING OFFICER: (SENATOR ROCK)

13. Further discussion? Senator Hynes.

14. SENATOR HYNES:

15. Mr. President and members of the Senate. I rise in  
16. support of this amendment. I think that the subject has  
17. been thoroughly debated. But there are a couple of points  
18. that need repeating because I think they are the most  
19. significant and really should tell the tale as to the fate  
20. of this amendment. First of all, there will be no fiscal  
21. cost to the State of Illinois in Fiscal 1978 as a result  
22. of this amendment and the precise amount of the Fiscal  
23. cost of '79...Fiscal '79 is somewhat in doubt at this point.  
24. But under no circumstances, can we foresee that it would  
25. rise above thirty million dollars. Secondly, what is the  
26. alternative? How do the units of local government, the  
27. school districts, the park districts, the cities, counties,  
28. all of the various units around this State, raise the necessary  
29. funds to underwrite this obligation? This is something that  
30. was not planned on, there is no authorization for the levy  
31. of a tax at the local level. These units of local government  
32. are struggling already with the burdens that  
33. have been placed upon them and with the requirements that

1. we impose here from Springfield, and that are imposed upon  
2. them from Washington, and repeatedly, we have heard in this  
3. General Assembly when the Federal Government acts to require  
4. us to do something, members cry out that if they are going  
5. to impose this duty on us, there ought to be some relief  
6. in terms of financial assistance. In this situation,  
7. the State of Illinois, it seems to me, has that obligation.  
8. It seems to me that the alternative is very simply to say  
9. to the local units of governments, raise the real estate  
10. taxes in order to meet this burden. I don't think any  
11. member of this General Assembly is prepared to introduce  
12. and support such legislation. I certainly am not and to  
13. say that we will not give them the authority to raise the  
14. money on the one hand, and yet on the other, we will not  
15. have the State contribute to this cost, it seems to me  
16. to be completely avoiding the issue and ducking our heads in  
17. the sand and that, I don't think we should be guilty of.  
18. Questions have been raised as to administration of the program  
19. as to limitations in terms of years, as to other limitations  
20. that could be put on. There is no one in this Body  
21. who is unwilling to discuss any such proposal. The problem  
22. to date has been, that there have been no counter proposals  
23. of any kind and until such are forthcoming, it seems  
24. fruitless to be trying to discuss what should be in such  
25. an amendment. It seems to me there is an obligation on the  
26. part of this State to assist, whatever safeguards are desired,  
27. or needed, can be written into the bill, but I think we've  
28. got to get the issue crystalized. We have to have a  
29. commitment and a statement that the State is going help out  
30. in this situation and this amendment does just that and I  
31. would urge your support.

32. PRESIDING OFFICER: (SENATOR ROCK)

33. Further discussion? Senator Knuppel.

1. SENATOR KNUPPEL:

2. Well, I really don't have a great deal to say on the  
3. merits of it, just the logistics of it. As Senator Hynes  
4. has pointed out, the only way this money can be raised by  
5. local units of government is through an increase in the  
6. real estate taxes. We've already made our levies for this  
7. year. Most of those levies are filed in September. It would  
8. cause great consternation to the county clerks and those  
9. people who have to extend the taxes and the first...the  
10. first time we're going to have real estate taxes accrue  
11. in the future again, is on January 1st, 1978 and the  
12. levies for that will be in the Fall against that money,  
13. will be again in the Fall of 1978. So, logistically  
14. speaking, I don't know where these units of local government  
15. are going to get this money if they don't get it from us.  
16. There is no way at this late date, no way that we can  
17. get this extended, collected and paid by the units of  
18. local government as I see it within...within the period  
19. that we have to get started paying it in.

20. PRESIDING OFFICER: (SENATOR ROCK)

21. Further discussion? Senator Glass.

22. SENATOR GLASS:

23. Thank you, Mr. President. This is a...the second  
24. time I've spoken, but I...I did want to respond to Senator  
25. Knuppel's statement because I think there is some confusion.  
26. Senator Knuppel, for those units of local government and  
27. schools that choose to reimburse the fund for the cost  
28. of the...their unemployment...the people that go on  
29. unemployment, there is full Federal reimbursement and therefore,  
30. no cost to those school districts and cities, et cetera,  
31. through the first half of the year 1978. So, they do not  
32. have the problem of...that you have described and I don't  
33. think that's generally understood. It makes this bill really...

1. or excuse me, it makes this amendment really unnecessary  
2. and even in a bad amendment. In the third quarter of the  
3. year, that would be in the...in July 1st, July, August  
4. and September, 1978, there is three-fourths reimbursement.  
5. And then in the fourth quarter, there is a half reimbursement.  
6. By that time, the units of government will have had a chance  
7. to pass their levy for the following year and budget for  
8. this cost. So, I think that should be understood and  
9. I just wanted to make sure that the Body understood that  
10. point before taking a vote on this amendment.

11. PRESIDING OFFICER: (SENATOR ROCK)

12. Any further discussion? Senator Savickas may close  
13. the debate.

14. SENATOR SAVICKAS:

15. Yes, Mr. President and Ladies and Gentlemen  
16. of the Senate. I think it all boils down, is kind of  
17. a political issue, everybody doesn't want to get involved  
18. in raising the taxes. The other side of the aisle doesn't  
19. want to obligate the Republican Governor, that he may have  
20. to expend monies that are very short in the State Treasury  
21. for a program that they feel has been depleted by the working  
22. man of the State of Illiois and I must remind you that it  
23. was because of the Nixon-Ford administration that  
24. the recession that occurred that this fund was deleted.  
25. This is the reason why this fund was depleted. And this  
26. was 'President Ford's bill. The Federal Government, the bill  
27. that our Congressmen voted on, was President Ford's bill  
28. and now we have the Republican party in the State of Illinois  
29. refusing to support their local communities, refusing  
30. to expend the monies that they should rightfully do to help  
31. their local communities. I would move the adoption of  
32. Amendment No. 1.

33. PRESIDING OFFICER: (SENATOR ROCK)

1. If I can have the attention of the Body, Channel  
2. 20 would like to film...leave is denied.  
3. Question is the adoption of Amendment No. 4  
4. to Senate Bill 6. Those in favor will vote Aye. Those  
5. opposed will vote Nay. The voting is open. Have all  
6. voted who wish? Have all voted who wish? Take the  
7. record. On that question the Ayes are 27, the Nays are  
8. 31. The amendment fails. Any further amendments?

9. SECRETARY:

10. No further amendments.

11. PRESIDING OFFICER: (SENATOR ROCK)

12. 3rd reading. Senator Hynes.

13. SENATOR HYNES:

14. Mr. President, there's some discussion. It is  
15. my understanding that Senator Glass will recall this bill  
16. tomorrow if there are further amendments that other members  
17. have to offer. And I just want to clarify that.

18. PRESIDING OFFICER: (SENATOR ROCK)

19. Senator Glass.

20. SENATOR GLASS:

21. Well, I think the point really needs no clarification,  
22. Senator. I did say that if anybody else has amendments,  
23. it would be brought back tomorrow and I would stand on  
24. that certainly.

25. PRESIDING OFFICER: (SENATOR ROCK)

26. All right. On the Order of Senate Bills, 2nd reading,  
27. Senate Bill 7, Senator Maragos. Read the bill, Mr. Secretary.

28. SECRETARY:

29. Senate Bill No. 7.

30. (Secretary reads title of bill)

31. 2nd reading of the bill. No committee amendments.

32. PRESIDING OFFICER: (SENATOR ROCK)

33. Any amendments from the Floor? 3rd reading.

1. Further business to come before the 2nd Special Session?

2. If not, Senator Hynes moves that the...Senator Nimrod  
3. for what purpose do you arise?

4. SENATOR NIMROD:

5. Just a question. I didn't know whether the  
6. committee reports are...Bill No. 8...that's not in this...  
7. is that in the Special Session?

8. PRESIDING OFFICER: (SENATOR ROCK)

9. I understand a committee report has already been  
10. read in. Okay. Yes. All right, if there is no further  
11. business to come before the 2nd Special Session, Senator  
12. Hynes moves that the Senate in the 2nd Special Session  
13. stand adjourned until Friday, November 4, at the hour of  
14. 10:45.

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