

81ST GENERAL ASSEMBLY

REGULAR SESSION

JANUARY 23, 1980

1. PRESIDENT:

2. The hour of ten having arrived, the Senate will please  
3. come to order. Will the members please be in their seats  
4. and will our guests in the Gallery please rise. Our prayer  
5. this morning by Father Thomas Holinga, Little Flower Church,  
6. Springfield, Illinois. Father.

7. FATHER THOMAS HOLINGA:

8. (Prayer given by Father Thomas Holinga)

9. PRESIDENT:

10. Thank you, Father. Reading of the Journal.

11. SECRETARY:

12. Thursday, January the 10th, 1980, Friday, January the 11th,  
13. 1980 and Saturday, January the 12th, 1980.

14. PRESIDENT:

15. Senator Johns.

16. SENATOR JOHNS:

17. Thank you, Mr. President. I move that the Journals just  
18. read by the Secretary be approved unless some Senator has  
19. additions or corrections to offer.

20. PRESIDENT:

21. You heard the motion. All in favor signify by saying Aye.  
22. All opposed. The Ayes have it. So ordered. Senator Johns.

23. SENATOR JOHNS:

24. Mr. President, I move that reading and approval of the  
25. Journal of Tuesday, January the 22nd, in the year 1980, be  
26. postponed pending arrival of the printed Journal.

27. PRESIDENT:

28. You heard the motion. All in favor signify by saying  
29. Aye. All opposed. The Ayes have it. So ordered. Introduction  
30. of bills.

31. SECRETARY:

32. Senate Bill 1498 introduced by Senators Coffey, Shapiro,  
33. Weaver and others.

1. (Secretary reads title of bill)  
2. 1st reading of the bill.  
3. Senate Bill 1499 introduced by Senator Schaffer.  
4. (Secretary reads title of bill)  
5. 1st reading of the bill.  
6. PRESIDENT:  
7. Rules Committee.  
8. PRESIDING OFFICER: (SENATOR SAVICKAS)  
9. For what purpose does Senator Moore arise?  
10. SENATOR MOORE:  
11. Thank you, Mr. President and members of the Senate. At this  
12. time, Mr. President, I'd like to call a Republican caucus  
13. in Senator Shapiro's office for all Republican members.  
14. PRESIDING OFFICER: (SENATOR SAVICKAS)  
15. Senator, could you give us an idea how long that will  
16. be?  
17. SENATOR MOORE:  
18. ...Probably a half an hour.  
19. PRESIDING OFFICER: (SENATOR SAVICKAS)  
20. The Senate will stand at ease for the next half hour, till  
21. 10:45.  
22. PRESIDENT:  
23. The Senate will come to order. Introduction of bills.  
24. SECRETARY:  
25. Senate Bill 1500 introduced by Senator Jerome Joyce.  
26. (Secretary reads title of bill)  
27. 1st reading of the bill.  
28. Senate Bill 1501 introduced by Senators Berning, Geo-Karis  
29. and Mitchler.  
30. (Secretary reads title of bill)  
31. 1st reading of the bill.  
32. PRESIDENT:  
33. Rules Committee. With leave of the Body, turn to page 2

HB 2563.  
Recall  
1-23-80

1. of the Calendar. We'll go to the Order of House Bills 3rd  
2. reading. On the Order of House Bills 3rd reading, House Bill  
3. 2563. Senator Egan.

4. SENATOR EGAN:

5. Thank you, Mr. President, members of the Senate. I would  
6. ask leave of the Body at this time to return Senate Bill or  
7. rather House Bill 24...2563 to the Order of 2nd reading for  
8. purposes of amendment.

9. PRESIDENT:

10. All right. Senator Egan asks leave of the Body to return  
11. House Bill 2563 to the Order of 2nd reading for purposes of  
12. an amendment. Is leave granted? Leave is granted. On the  
13. Order of House Bills 2nd reading, House Bill 2563. Yes, Senator  
14. Bloom.

15. SENATOR BLOOM:

16. Perhaps to speed up the process, if the Secretary could  
17. ...we have many amendments on our desk...read off the...sponsors  
18. of various amendments, we could arrange them in proper order  
19. and then the debate won't be interrupted by people saying  
20. which amendment and so on and so forth.

21. PRESIDENT:

22. All right. Mr. Secretary.

23. SECRETARY:

24. Amendment No. 4 offered by Senators McMillan and Shapiro  
25. and it is lettered A at the top. It's...A of a...of four  
26. amendments, A, B, C and D. This is A.

27. PRESIDENT:

28. Read the LRB number.

29. SECRETARY:

30. All right. LRB8106272SJDVAM07...consisting of twenty-  
31. one pages.

32. PRESIDENT:

33. All right. Amendment No. 4 has been identified by LRB

1. number, consists of 21 pages. Has everybody got the amendment?

2. Senator McMillan.

3. SENATOR McMILLAN:

4. Mr. President, members of the Senate. The first amendment  
5. for consideration is the amendment which was distributed widely  
6. yesterday for which there was a...a lengthy discussion over  
7. in the House of Representatives and it's the amendment which  
8. I'll describe very briefly...and...it's basically the one  
9. that most of the controversy has been over. This is the bill  
10. which would provide for limits on the extensions for 1980.  
11. It would provide that those limits would be either...it  
12. would be the average of...excuse me, a three year average  
13. of percentage increases in personal income. It provides for  
14. an additional option for units of government where there is  
15. a great deal of growth. It provides that in all cases where  
16. the limit provides a problem for a district in all cases the  
17. limitation may be eliminated by the application of...a positive  
18. ...referendum passed by the people in the district. It includes  
19. home rule units, but provides for a one year exception for  
20. the City of Chicago in 1980 and...and one year exception for  
21. Cook County Hospital in 1981. The reason the Cook County  
22. Hospital exception is needed, is we have demanded of them  
23. that the budget be balanced for that Fiscal Year and they  
24. can't do it with this exemption. It indicates that...it  
25. has provisions for what happens if a district has lowered  
26. its levy and we have a...an additional amendment which  
27. makes that clear across the board, takes care of some of  
28. the concerns raised by Representative Brummer in his letter  
29. which went to all Legislators late last week. Then it provides  
30. for a series of exceptions and the intent of these...exceptions  
31. is to make sure that we don't impose upon units of government  
32. undue hardship at the same time that we're trying to implement  
33. effective limitations. It says that the higher extension...it  
34. says that if a referendum has been passed after December 31st,  
35. 1978 to raise the maximum allowable tax rate that we're not

1. going to provide...the limitation on that authority that was  
2. granted by referendum. It exempts taxes to retire principle  
3. and interest. It exempts taxes for the...exempts any district  
4. that's levying taxes for the first year. It exempts taxes  
5. levied pursuant to Public Building Commission Act. It exempts  
6. taxes levied to pay substantial judgments which may be entered  
7. against a given district. It exempts taxes levied to pay  
8. election. It exempts taxes levied to pay principal and interest in  
9. notes issued in anticipation of real property taxes or personal  
10. property replacement taxes. It exempts taxes levied to pay  
11. principal and interest on indebtedness of home rule units and  
12. a later amendment exempts taxes to pay all indebtedness. It...  
13. indicates that in 1981, it will exempt contributions to pension  
14. funds. It indicates that any tax levied after December 31st,  
15. where a backdoor referendum might have been possible, that's  
16. exempt from the limit. It provides that it exempts taxes levied  
17. to pay bonds issued by the Chicago School Finance Authority,  
18. In other words, the action that we took week before last to  
19. provide for a solution to the problem with the Chicago schools.  
20. It provides for an exemption for taxes for special service areas.  
21. And it provides for an exemption for taxes levied for facilities  
22. mandated by the Illinois EPA. In fact, it provides for substantial  
23. exemptions which should mean then that relatively few units of  
24. government would suffer any hardship if they have been prudent  
25. at all. It further indicates that every unit of government  
26. would know by July 1st each year what the...the rate of increase  
27. allowable would be thereafter. And essentially then, this becomes  
28. the bill, the limitation that is applied. I would seek a favorable  
29. roll call because this is a meaningful limit. It does respond  
30. to the great increases that have occurred for taxpayers. It does  
31. mean that since many of the local units of government, in fact,  
32. did not do anything to reduce their levies after we came up with  
33. the Corporate Personal Property Tax Replacement Law. This will

1. be the one bill which will place some limits on what local units  
2. of government can extract from taxpayers in this year and in  
3. the years to come.

4. PRESIDENT:

5. All right. Senator McMillan has moved the adoption of  
6. Amendment No. 4 to House Bill 2563. Any discussion? Senator  
7. Egan.

8. SENATOR EGAN:

9. Thank you, Mr. President, members of the Senate. Well...the  
10. world knows by now that I have filed with the...the Secretary  
11. a...an amendment to House Bill 2563 which is quite different  
12. than the amendment which is now being considered. And the  
13. world also knows the content. It is entirely different. It  
14. is not a matter of pro or con on this amendment, it's a matter  
15. of preference. I, for one, prefer my own amendment and conse-  
16. quently, I will vote No so that this amendment does not  
17. attach to House Bill 2563 and I would ask those of you who have  
18. been deliberating and have been negotiating and have been following  
19. the events of the past few days to follow likewise. If we are  
20. going to afford the taxpayer relief, let's do that, let's not  
21. create a myriad of problems that are created by this amendment  
22. that we cannot solve, being kidnapped by the Governor, as we  
23. have, with the gun to our head, in this amount of time. And  
24. I ask your support for my amendment and consequently the defeat  
25. of this amendment.

26. PRESIDENT:

27. Further discussion? Senator Carroll.

28. SENATOR CARROLL:

29. Hello...hello. Thank you, Mr. President and Ladies and  
30. Gentlemen of the Senate. I too find this interesting. Let  
31. me first start off with a question of the sponsor. How many  
32. exemptions do we now have?

33. PRESIDENT:

34. Senator McMillan.

1. SENATOR McMILLAN:

2. I'm not sure I can give you a specific answer, because  
3. some of them are...are exemptions to more than one individual  
4. problem stated in one sentence and I...and I can't really give  
5. you a specific response to that question.

6. PRESIDENT:

7. Senator Carroll.

8. SENATOR CARROLL:

9. That's what leads to my point, Senator McMillan. I don't  
10. think any of us oppose a concept of placing upon the taxing units,  
11. local government, some limitations because of the growth that  
12. some of them have experienced. But I think as you well learned  
13. and I sure did over this past week-end when they were drafting  
14. for tons of hours, coincidentally in my office, these potential  
15. amendments, we found that with every phone call, we found another  
16. exemption. No one knows yet what this is going to do, in fact,  
17. to local government because, we in the Senate haven't really  
18. even had full hearings on the concept. I found a problem that  
19. is not dealt with in this amendment, that in fact I drafted one  
20. for, that involves part of my district in Skokie. Skokie Park  
21. Districts built their field houses some twenty-five years ago  
22. using bonds, paid them off already and now find that they are  
23. deteriorating and need restoration and improvement. They also  
24. find in some of the schools et cetera, in Skokie that they  
25. need to do some energy conservation type rehabilitation. None  
26. of these were included in the first twelve, fourteen, sixteen  
27. amendments. The point of it all is, while it's dealt with in  
28. a later amendment, maybe, and if not, I have another amendment.  
29. The point is that as we have learned about all of these taxing  
30. districts, for another example, is what they'd call the virgin  
31. taxing districts or the semi-virgin taxing districts, who had  
32. never taxed before for property tax purposes, they had used  
33. Sales Tax revenues that were being generated to take care of

1. local government. The point of it all is, until we get into  
2. the details, no one knows who we're really hurting and whether  
3. or not we're helping anybody. I think this will take quite a  
4. bit more time, even for the technicians working in a vacuum  
5. to think of all the alternatives if they've come up with four-  
6. teen yesterday and seventeen today. I think if we waited another  
7. couple of hours, there would probably be five or six more that  
8. we found we didn't take care of. I think we would be better  
9. served to have a more and full and complete hearing on it  
10. and in the meantime to give the meaningful tax relief that  
11. I'm sure is coming in a subsequent amendment.

12. PRESIDENT:

13. Further discussion? Senator Martin.

14. SENATOR MARTIN:

15. Certainly there are legitimate questions about the bill  
16. that...and there are further amendments that will take care  
17. of some of the problems that the McMillan amendment does not  
18. address. But I think we are kidding ourselves and the people  
19. we claim to represent if we suggest that any other alternative  
20. fulfills the mandate that was clearly stated at the polls last  
21. November. Now there may be some questions about the Thompson  
22. Proposition as it was called, but it was a very clear mandate.  
23. Over eighty-four percent of the people said they wanted to  
24. see a limit on State and local spending. They did not say we  
25. want to see other alternative means of taxation, although  
26. they would like that. They did not say they wanted to see  
27. tax reform or clarification in the Tax Codes, although that...  
28. are problems we should address. What they said was, they wanted  
29. to see a limit. Now you can talk around it all you want, but  
30. if you really do claim to be trying to follow the will of the  
31. people you represent, I do not know how you can ignore that  
32. kind of response to a very clear statement. I would also suggest  
33. to you that they can go...back to the ballot and we can have a

1. Constitutional Amendment, if the General Assembly does not  
2. do it Statutorily. And if we do it Statutorily, we can amend,  
3. we can take care of the problems. This amendment has a double  
4. edge to it, it, of course, does hurt some of the districts  
5. that I think have performed well, in my own district. But  
6. overall, the benefits of the bill far outweigh any detriments.  
7. Anyone who suggests that they can vote against this bill and  
8. then go back and say they are for tax limitation and say  
9. they are for a responsible local and State spending limit,  
10. will be fooling the people. And I grant you, it was a  
11. Republican who said it, but you cannot fool the people all  
12. the time.

13. PRESIDENT:

14. Further discussion? Senator Mitchler.

15. SENATOR MITCHLER:

16. Mr. President and members of the Senate. The amendment  
17. we have does place many of us in a very unusual position,  
18. because it does provide tax relief. Yet many of our local  
19. taxing governments are not doing a bad job, they're doing  
20. a good job. They're living within their budgets, they're  
21. doing everything possible to meet the demands for services  
22. of the people of their governmental unit that call upon them  
23. for these services and are doing a great job. And they are  
24. the ones that sometimes you might think are going to be  
25. penalized for doing a good job, whereas sometimes you have  
26. the runaway local units of government that may benefit.  
27. Now the people that pay the taxes in my district will like  
28. this bill even though they'll be turned down on some of  
29. the services they ask from some of their local units of  
30. government. I, as many of you, have received numerous phone  
31. calls, letters, telegrams, mailgrams, from representatives  
32. and most of them elected in local units of government,  
33. asking that we not put this limitation on their local units

1. of government, so that they can continue to operate in the  
2. good manner in which they're operating. And move ahead with  
3. their bonded programs so that they can have their programs  
4. developed. I tell them, well you do have a referendum, but  
5. they know how any referendum put up to the people will be  
6. looked on with scrutiny. Although I can say to you, that  
7. recently the Oswego District Library was successful in passing  
8. a referendum, very successful, and I can point out the school  
9. districts in my legislative district that have been success-  
10. ful in having referendums passed where needed. And, so with  
11. that thought in mind, because of the referendum fact in here,  
12. I think that I can safely vote for this for the people who  
13. are clamoring for some type of tax relief. I don't know what's  
14. going to come out of the amendments to House Bill 2563, but  
15. I'm going to look at each and every one of them and in the  
16. final decision my vote is going to be passed for the taxpayer  
17. back there that is asking for some type of relief in whatever  
18. form we are able to construct into legislation during this  
19. short period of time that we're down here. Thank you.

20. PRESIDENT:

21. Further discussion? Senator Netsch.

22. SENATOR NETSCH:

23. Thank you, Mr. President. I would like to point out something  
24. because I think it has gotten lost in a lot of the campaign rhetoric  
25. that has come through these halls recently, is that now, within  
26. the last few months, we, as Democrats, have offered the State  
27. and this administration two alternative forms of exactly what  
28. he claimed he was for in the Thompson Proposition and that was  
29. a limit on the growth of Public Revenues to be spent on govern-  
30. ment. The first, and some of us made this point over and over,  
31. was with respect to the elimination of the Sales Tax on food  
32. and medicine. If you track the impact of that proposal that  
33. did exactly what we said it did, it limited the growth of

1. government revenues and therefore of government programs in the  
2. future. In fact, it had an impact that did not quite equal,  
3. but almost came to the Totten Proposition, the impact that  
4. it would have had on the growth of government at the State level.  
5. That was one of the major arguments that some of us made for  
6. that proposal. It was completely ignored by the Governor and  
7. rejected. That Governor, was your first opportunity for a  
8. limit on growth of government. The second is the proposal  
9. that is going to be made shortly, when this amendment is  
10. hopefully defeated. And that one, not only the abatement  
11. provision, but more particularly the provision that increases  
12. the Homestead Exemption, again does exactly that, it limits  
13. the growth of government revenues, this time, Property Tax  
14. Revenues at the local level of government. It does not cut  
15. out existing revenues and existing services, which I suspect  
16. most people really do not want that badly. But what they are  
17. saying, is, please, is there no end to how much government  
18. is going to take away from us and particularly when a lot  
19. of that growth is inflationary. By increasing that exemption  
20. on the Homestead, it does take away the inflationary artificial  
21. growth, it does limit local government revenues, it does, therefore,  
22. limit local government growth. It seems to me that both of these  
23. proposals have been exactly what taxpayers have asked us to do  
24. and they are the proposals that ought to be supported.

25. PRESIDENT:

26. Further discussion? Senator Gitz.

27. SENATOR GITZ:

28. Well, Mr. President, very briefly. I find it kind of  
29. intriguing, the fact that, when the Governor has pledged his  
30. relief for Property Tax sentiments, he interestingly enough  
31. has said very little about the shop that he is the head-  
32. honcho of, namely, the State government. The bill...before  
33. us is to restrain four thousand taxing districts or actually  
34. more than that, in the State of Illinois. It seems to me that

1. before we go and tell local governments everything that they've  
2. got to do, there's a lot of room for improvement at the State  
3. level. I wish that Special Session had been called on a  
4. Constitutional Amendment on State spending. I'd like to also  
5. point out that it has been talked about, I think by Senator  
6. McMillan, that we have a situation where we've built in a  
7. lot of exemptions. The very fact of the matter is that we're  
8. flying by the seat of our pants in this amendment. If Senator  
9. McMillan's original bill was signed into law, the largest municipi-  
10. pality in the State of Illinois would be unable to float all  
11. those wonderful bonds from the school session that we had last  
12. week. If that had been adopted, we could have had extreme  
13. hardship, people have been drafting amendments left and  
14. right. We have so many amendments and exemptions that nobody  
15. is quite certain what the final form of this little jewel is  
16. going to be. We set a very dangerous precedent, because what  
17. I fear will happen is that if this is adopted, every local taxing  
18. district will raise by the maximum allowable growth and income,  
19. this year nine percent, because they will fear the next year  
20. that they will be that much less able to raise any tax levies  
21. they want if they don't do it this year. So you've built in  
22. an incentive to raise Property Taxes every year. I submit that  
23. when Senator Martin says, everybody wants tax relief, she's  
24. quite right, but this is not going to be tax relief, this is  
25. an attempt to restrain the growth. And in those municipalities  
26. that have restrained it very well, it creates a new ballgame.  
27. I would like to lastly suggest that once you have put limitations  
28. in local government, but cleanly avoid at looking at your own  
29. house, we set another dangerous precedent. I notice that the  
30. City of Chicago is exempt from this bill. Some of my constituents  
31. feel they should be exempt forever, because what happens when a  
32. school district in my area or in anyone else's area goes  
33. bankrupt. They are going to come to the State government and

1. say, you created this monster, now you pay for it. I don't  
2. think we should put ourselves into that posture. The Thompson  
3. Proposition did pass overwhelmingly, but one thing that's  
4. interesting is that no other options are on the ballot.  
5. There wasn't another check point on there for tax reform. For  
6. an Illinois Tax Base that ranks with Arkansas and Mississippi  
7. and Texas and how regressive it is and who hits with the bill.  
8. This is folly because it is really not well thought out because  
9. there are so many exemptions changing hour to hour. Because nobody can  
10. really tell you intelligently what kind of impact this has  
11. on School Aid Formula and most specifically because we are  
12. not addressing a State issue, we have chosen to look at  
13. local government and say, here, we're going to straighten out  
14. your act, but we're not going to do anything about our own.

15. PRESIDENT:

16. Further discussion? Senator Berning.

17. SENATOR BERNING:

18. Thank you, Mr. President and members of the Senate. It  
19. seems somewhat paradoxical that we ought, at this point, to be  
20. discussing alternatives to alternatives. We have before us  
21. a House Bill 2563 which an effort is being made to offer a  
22. constructive amendment to. Before we ever get to that, we  
23. are informed that any amendments considered and adopted or  
24. rejected will all be meaningless anyway because there is  
25. another omnipotent effort to be made then another amendment  
26. will be going on. Well I want to point out to the members,  
27. respectfully, that while...this Body thought it was doing  
28. everybody a great favor when we passed that totally ill-advised  
29. Sales Tax Amendment, Senator Netsch, we affected a very severe  
30. hardship on the little businessman. One small grocery store  
31. right across the street from my office in the little village  
32. of Deerfield had to go out and buy twelve thousand dollars  
33. worth of new cash registers simply because of what we did down

1. here in our "great wisdom" and bludgeoned all local business  
2. people. Now, what would the Homestead Exemption do, what would  
3. the Homestead do for business and industry? Not one blessed  
4. thing of any value, but what it would do to them would be  
5. shift the burden of the reduced valuation from real estate,  
6. homeowners. Now, I say to you that that is not what we have  
7. been asked to consider. There isn't any justification for  
8. our saying, we're going to offer this kind of tax relief to  
9. one segment of our society and forget the other segment. I  
10. think the Homestead Exemption has been a very, very desirable  
11. tool in somewhat...relieving the burden of our citizens.  
12. But to increase it by a hundred percent, with no consideration  
13. of that other segment of our society, the business community,  
14. is irresponsible. What we have before us is a legitimately  
15. drawn, well thought out amendment to a bill which is a vehicle  
16. and I believe that in all fairness, this Body ought to vote  
17. on what is before us, not on what might be coming, because  
18. we all know that we don't know what's coming. Some of us  
19. will be here by next Christmas, some of us won't, but we  
20. know that Christmas is coming, but we are not so sure we  
21. will be here and the little taxpayers back home are totally  
22. convinced that we have not their interest at heart. The  
23. Homestead Exemption is a dodge, it's not going to provide,  
24. at least in my area, even a small step toward negating the  
25. tremendous increases in valuation, which is the basis for the  
26. Real Estate Tax Bill, simply because inflation is driving  
27. real estate values up at an astronomical rate. Tax bills,  
28. the actual tax dollars, which my citizens are required to pay,  
29. have increased from twenty percent to as high as, yes, two  
30. hundred percent, in one year. That's dollars, that's not  
31. tax rates, that's not percentages or anything else. The  
32. citizen is crying for relief. And Mr. President, if we are  
33. going to play games now with essentially the same attitude  
34. we had with the Sales Tax, which I said on the Floor at

1. the time we were considering it, it was nothing but a shell  
2. game, then I think it is highly inappropriate that we continue  
3. to waste the taxpayers' money, Mr President, I move we adjourn  
4. until March 5th, 1980.

5. PRESIDENT:

6. You heard the motion. All in favor signify by saying  
7. Aye. All opposed. The Noes have it. Further discussion?  
8. Senator Shapiro. Pardon me, Senator, Channel 17 and 20 have  
9. requested leave to film the proceedings. Is leave granted?  
10. Leave is granted. Senator Shapiro.

11. SENATOR SHAPIRO:

12. Well, Mr. President and Ladies and Gentlemen of the  
13. Senate. I think many of the arguments raised by the opposition  
14. to the proposed amendment are answered in this amendment and  
15. subsequent ones which will pass...which will be forthcoming.  
16. I would like to point out that, to the Body, that, of all the  
17. exemptions that are...have been considered and that...that  
18. are incorporated into the...this amendment and other amend-  
19. ments, amount to approximately fifteen percent of the tax-  
20. payers' total bill. So that means that the limitation will  
21. apply to eighty-five percent of that bill that he is paying  
22. at the present time. This does not take into consideration  
23. the fact that State-wide, real estate tax bills will be  
24. going up thirteen percent, in some areas, twenty to thirty  
25. percent, in other areas, one hundred, two hundred, three  
26. hundred percent. There was a comment made concerning the  
27. restraints upon the State. And I would like to point out  
28. to the Body that, with the exception of the one year when  
29. Governor Walker was the Governor of this State, when State  
30. spending increased 21.8 percent. That since Fiscal Year  
31. '77, the State has shown markable...remarkable restraint  
32. in spending measures. FY '77, the percent increase was  
33. 5.4, FY '78, 2.2, FY '79, 9.2. All within the limitations  
34. that are being proposed for local governments in this

1. particular bill. In spite of the fact that many of you oppose  
2. this, I think that you ought to be aware of what is going to  
3. follow if this bill does not pass. And I do not mean the amend-  
4. ment that will be offered by our loyal opposition. I want to  
5. point out to you that there will be Constitutional Amendments  
6. presented to this Body that will limit State spending in  
7. General Revenue Funds, the Common School Fund and in the  
8. Motor Fuel Tax Fund. And I think you all ought to take a  
9. hard look at that concept because that will severely limit  
10. the ability of the State to provide Staté Aid to our local  
11. school districts, revenue sharing to our cities and counties  
12. and that this may be the best of all the alternatives that  
13. have been considered by the General Assembly over the past  
14. year and a half. I personally feel that a 9.5 or .6 tax  
15. limitation on our local governments is not severe, particularly  
16. in view of the fact, that every year since 1971, which was the  
17. last largest increase, local governments have kept their spending  
18. increases down around the three...or four percent average,  
19. but the Department of Local Government Affairs did conduct  
20. a survey throughout the State and found that of the three  
21. hundred and some odd local government units that they surveyed,  
22. that very few, only four percent of the total number throughout  
23. the State, were going to abate their taxes due to the fact of  
24. the Corporate Personal Property Tax replacement monies and  
25. the fact that they have shifted the Personal Property Tax  
26. load to the Real Estate Tax. So I think at this time there  
27. is a need for this particular type of bill and I honestly  
28. believe that it has to be done within the time limitations  
29. by the end of this month. I would urge everyone to support  
30. this limitation. I think it's reasonable. I think we have  
31. answered most of the objections and complaints raised by  
32. local government units and have exempted those funds in  
33. which there would have created a problem with a limitation.

1. I see nothing wrong with the amendment. I think it's a good  
2. amendment. I think there's been a lot of work and thought  
3. put into the amendment and please keep in mind that at one  
4. time or another, practically everyone in this Body has voted  
5. for a tax limitation proposal much more severe than we are  
6. considering here. Please keep in mind that this amendment  
7. is watered down from Senate Bill 1292, which passed this Body  
8. last spring by approximately forty votes, if my memory serves  
9. me correct. So I think it is a good...amendment and should  
10. be supported by everyone in the Body.

11. PRESIDENT:

12. Further discussion? Channel 9 also seeks leave to film  
13. the proceedings. Is leave granted? Leave is granted. Further  
14. discussion? Senator Wooten.

15. SENATOR WOOTEN:

16. Thank you, Mr. President. Just a cautionary word to  
17. my colleagues. Governor Thompson has put us in one of those  
18. predicaments where we're going to have to earn our pay again  
19. today, we're going to have to do it the tough way. I think  
20. if we really wanted to help the Governor, we ought to defeat  
21. this amendment. I don't think anything could do him more  
22. damage than to pass this bill and then have people get their  
23. tax bills with a sizeable increase. One of the problems we're  
24. facing, Ladies and Gentlemen, is there's going to be an increase  
25. in taxes at all levels. Local governments won't get as rich  
26. as the State or the Federal Government on inflation, that's  
27. where we get all our money. But they obviously will need  
28. more money. But the difficulty is that we are dealing in a  
29. subject that the press is not competent to report except in  
30. bottom line issue, tax limitation, tax relief, pass or fail.  
31. What happens is that there will be an increase. We are going  
32. to heighten expectations of some kind of dramatic cut. This bill,  
33. this amendment, certainly won't produce it. As a matter of fact,

1. it will have the lamentable effect of guaranteeing sizeable  
2. increases year after year. Because you're quite right,  
3. most units of government are not up to this 9.3 limit, but  
4. there're certainly going to go up there just as fast as they  
5. can. Because they cannot afford to be left out. They will  
6. not have the ability to rise to emergencies. And one of  
7. the things I discovered is that certainly is their intention.  
8. If we put in this ceiling, that's going to become the Floor.  
9. And so if we did pass this, then I think there would be general  
10. unhappiness that we have apparently talked about doing something  
11. and we did not deliver on it. Fact is, I don't think any of  
12. us are competent at this point, to talk about what the effects  
13. of all these amendments are going to be. They're still being  
14. circulated two years after the Thompson Amendment as late as  
15. yesterday afternoon. Trying...this is not a reasonable deliberative  
16. process, it's a scrambling kind of thing to turn something out  
17. in a hurry that might work. I suggest to you that we would  
18. be more responsible if we limit ourselves to one or two things  
19. that we know will work. Senator Shapiro made reference to a  
20. survey. I believe that many units of local government believe  
21. that they are not allowed to abate after they've made their  
22. levy. Also some units that can, have abated since that survey,  
23. in my area, once they found out what the courts had to say about  
24. this. I believe that if we make clear that those units can  
25. abate at any time, we'll be doing something that we know will  
26. work. We're dealing in a very treacherous area and I'm afraid  
27. the stakes for the game are mostly political headlines, see  
28. what will work. But the taxpayer, I'm afraid is going to feel  
29. betrayed almost no matter what we do. We have heightened expectations  
30. and we simply can't change the economic facts of life in this  
31. country. We do have inflation, governments must address it,  
32. they don't charge us less for gasoline, we've got to bite the  
33. bullet, we've got to be responsible, we've got to prevent ourselves

1. from going for the headline and instead deal with this problem  
2. in a serious step by step and sober way. This patched together  
3. amendment, still being assembled, obviously is not the answer.

4. PRESIDENT:

5. Further discussion? Pardon me, Mr. Dan White of Central  
6. Media has requested permission to take still photographs of  
7. one of our esteemed colleagues. Is leave granted? Leave is  
8. granted. Senator Geo-Karis.

9. SENATOR GEO-KARIS:

10. Mr. President, Ladies and Gentlemen of the Senate. The  
11. last speaker rather intrigues me. First he wants to save  
12. Governor Thompson and then he forgets that there were nine-  
13. teen tax relief bills sponsored by the Thompson administration  
14. last year were...where they went nowhere. Why? Because the  
15. Democrats in this House decided they didn't want them. I  
16. can remember one specifically which was a bill to reduce the  
17. income of people in the State of Illinois by the amount of  
18. taxes they paid for real estate up to one thousand dollars or  
19. the amount of rent they paid up to seven hundred and fifty dollars,  
20. to take it straight off the gross income and what happened,  
21. twenty-two Democrats in this House voted Present. We got  
22. a total of twenty-two votes on the bill. So I'm really rather  
23. intrigued by all this...handwringing and oh, what are we doing  
24. to...hurt the poor Governor. Governor Thompson has spoken  
25. because the people of Illinois have spoken. They are tired  
26. of being taxed to death, they...I have very responsible school  
27. administrators, very responsible mayors in my district, some  
28. of them are sitting here in the Gallery. I don't disagree  
29. with their contentions, but we have to tighten our belts.  
30. Inflation is caused by a high cost of government, both  
31. local and State and by the high cost of energy. We have taxed  
32. the people too much without giving consideration to their wants.  
33. There is a referendum provision in here. If services are to

1. cut and are needed services, the people will support a referendum,  
2. they have done so in my county. Therefore, I think this amend-  
3. ment is a good amendment, and I think we should support it if we  
4. really mean tax relief for the people of Illinois.

5. PRESIDENT:

6. Further discussion? All right. Will the members please  
7. be in their seats. Senator Bruce.

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1. SENATOR BRUCE:

2. Thank you, Mr. President and members of the Senate. The  
3. Illinois Senate is being asked today to bring tax relief to  
4. the taxpayers of the State of Illinois and we find before us  
5. two separate approaches to that tax relief. Embodied in  
6. Amendment NO. 4 is the idea that we ought to put a ceiling on  
7. real estate assessments throughout the State of Illinois.  
8. An amendment which I will offer, along with Senator Egan,  
9. says that there ought to be an exemption from taxation. First  
10. of all, let me tell you why I have problems with the ceiling  
11. in a more personal nature. I have waited in meetings and  
12. attended meetings for some long time, trying to find out the  
13. position of Governor Thompson twenty months after we first  
14. started debating the question of the Thompson Proposition. I  
15. stayed here late Saturday, until nine-thirty, waiting for a bill  
16. that we were told on this Floor at six o'clock that we must  
17. vote for and at nine-thirty when I left this...this building  
18. on Saturday evening, I still did not have a draft of what we  
19. were supposed to have passed at six and yet, the Governor says  
20. we took a powder. I came back to my office this week to find  
21. a long amendment, which we are now debating, with now sixteen  
22. exemptions and were told at eleven-thirty yesterday that two  
23. more substantive changes would be forthcoming and a technical  
24. amendment would also be presented. I got those today. It seems  
25. to me that we have taken far too long with the Governor and his  
26. proposal and now is the time that we have to give some sort of  
27. tax relief. What kind of tax relief does a tax lid or tax  
28. ceiling provide? Well, it doesn't provide any relief for anyone  
29. that is not in an area where the equalized assessed valuation  
30. did not go up by 9.3 percent. No tax relief. If you are in a  
31. county where the tax rates were less than that, nothing. You  
32. walk away from this with not one dime of tax relief now or for  
33. any long period of time. How would it have affected the tax-

1. payers during the last fifteen years? The Economic and Fiscal  
2. Commission tells us that in those last fifteen years the  
3. average growth has been 7.8 percent. Nothing for the taxpayer  
4. with the tax ceiling. In the little booklet that the Governor  
5. put together yesterday, out of the...one page 2, in the last  
6. seven years, a 9.3 percent lid would have given no tax relief.  
7. Nothing anyplace to anyone. I think the problem with the lid  
8. is also...not only does it not give tax relief to many taxpayers  
9. throughout the State of Illinois, it is an incentive to every  
10. taxing body to tax to the limit. The ceiling becomes the floor  
11. and every taxing body, being the way they want to be, responsible,  
12. knowing that there are expenses that they may incur that they  
13. cannot anticipate, will try to levy every year up to...as close  
14. as they can, to that limit. A third problem with this proposal  
15. is that much of the relief goes to those who are more wealthy  
16. in this State. For those who...if we are going to have a thirteen  
17. percent increase next year, as is anticipated, and we are talking  
18. about a 9.3 percent limit, it certainly gives a great deal more  
19. relief to those who have a hundred and eighty thousand dollar  
20. home, who would have a tax saving sufficient to buy a new car  
21. versus those who have a twenty-five thousand dollar home that  
22. might be able to take their family to McDonald's that evening.  
23. The exemption allows the taxpayer immediate tax relief. It is  
24. direct and it shows upon his tax bill. When I got my tax bill  
25. this year, my new assessment for my home, printed along the  
26. bottom of that tax bill was how much I had been saved by the  
27. Public Act passed by Senator Hynes. It isn't some mystery. It  
28. isn't something that I have to attend the township meeting, the  
29. city council, the Community College Board, the school board  
30. meetings to know whether or not they are within the 9.3. It  
31. came to me, Terry Bruce, in my tax bill, to my home. That's  
32. immediate and for those of you who said it did not...does not  
33. give relief, let me tell you that when Senator Hynes' bill passed,

1. according to the Department of Revenue, equalized assessed  
2. valuations went down 1.4 billion...billion dollars the year  
3. after that bill was signed into law, saving the taxpayers over  
4. one hundred and fifty million dollars and that's significant  
5. tax relief. I think the bill finally gives tax relief to that  
6. taxpayer that has had one dollar of increase in his equalized  
7. assessed valuation. There is nothing about percentages, nothing  
8. about 9.3 percent. If you get a one dollar increase in your  
9. equalized assessed valuation and it's less than that fifteen  
10. hundred dollars, you get it. There's a tax freeze on your  
11. assessment to the extent of fifteen hundred dollars and for  
12. most taxpayers that means immediate tax relief. It means relief  
13. that they can see now on their own tax bill and I would stand in  
14. opposition to Amendment No. 4.

15. PRESIDENT:

16. Further discussion? Senator Rhoads.

17. SENATOR RHOADS:

18. Thank you, Mr. President and members of the Senate. I  
19. have been in the minority before in this Chamber, but I have  
20. never really felt myself a minority of one until today. I  
21. will be supporting Senator McMillan's amendment because, as  
22. Senator Egan said, it's a question of preferences and if 2563  
23. were to pass in any form at all, I suppose I would rather have  
24. it pass with Senator McMillan's amendment than with the one  
25. which will be offered later, but I think the entire focus of  
26. this Special Session is just off the mark. Senator Gitz arti-  
27. culated some of the frustrations that I have and Senator Bruce  
28. did, as well. Let me just bring us back, if I can, to square  
29. one which was on...in April of 1978. If you will recall, Senator  
30. Graham was seated where Senator Friedland now is and he intro-  
31. duced his Constitutional Tax Limitation Amendment. The Governor  
32. opposed an amendment to that Constitutional Amendment which  
33. would have made the amendment easier to pass in the Fall of 1978.

1. Okay. Then his alternative was the Thompson Proposition, an  
2. advisory question of public policy. Let's just read through  
3. it briefly, so that we remember exactly what it said. "Shall  
4. legislation be enacted and the Illinois Constitution be amended  
5. to impose ceilings on taxes and spending by the State of  
6. Illinois, units of local government and school districts."  
7. That passed in November, 1978, one million six hundred and  
8. sixty-eight thousand seven hundred and ten votes to three  
9. hundred and fifty-six thousand nine hundred and ninety-seven  
10. votes. I emphasize the word "spending" in there because I  
11. think it has been totally lost in this discussion. It has been  
12. lost in Senator McMillan's amendment, it has been lost in  
13. Senator Egan's amendment. It has been lost in the entire focus of this.  
14. Special Session. It seems that we think that there is no  
15. correlation whatsoever between taxes and spending. The two  
16. are so intertwined they...they follow as day follows night  
17. or vice versa. Spending...the public in this State, the  
18. voters in this State, aren't dumb. They realize that the...  
19. the correlation, the connection between spending at the local  
20. level and taxes. Okay. So, a unit of local government increases  
21. it's spending last year by thirteen percent. What does that  
22. mean? Well, it means they kept even with the pace of inflation.  
23. That was what...the price of everything else was going up  
24. thirteen percent last year. Were they acting in an irresponsible  
25. manner? No, they were just staying even with the board. They  
26. could act in no other manner. Neither could the State, if it  
27. were to buy the same amount of goods and services in 1979, as  
28. it had purchased in 1978. The Federal government and its spend-  
29. ing policies has created distortions in the economy over which  
30. we have absolutely no control. I will support Senator McMillan's  
31. amendment, but vote No on final passage, whether it goes on,  
32. whether Senator Egan's amendment goes on...none of the proposals  
33. that I have seen come out of this General Assembly, for this

1. Special Session, are worthy of support at this time. If we  
2. want to come back later and seriously address this question  
3. with some care, with some thought, allowing for the fact of a  
4. double digit inflation environment, then I think that's the  
5. way to go, but to do otherwise today, in January, is simply  
6. less than responsible action. Thank you.

7. PRESIDING OFFICER: (SENATOR BRUCE)

8. Senator DeAngelis.

9. SENATOR DeANGELIS:

10. Thank you, Mr. President. The sponsor of this bill, Senator  
11. Egan, has indicated and quite correctly, that what we are doing  
12. is basing our decision on preference. Webster defines preference  
13. as giving priority to or preferring. Let's look at what we are  
14. giving priority to or choosing between and let me give you an  
15. analogy in plain, common or ordinary common sense. Under Senator  
16. McMillan's amendment, what we are saying is we are going to limit  
17. the price of a particular product. Under Senator Egan's amend-  
18. ment, we are saying we are going to offer a discount, but we are  
19. going to let the person charge whatever they want for the product  
20. and I would submit to you, Senator Egan, if you went out to buy  
21. a shirt, would you rather know what the price of that shirt is  
22. or what the discount is? Thank you.

23. PRESIDING OFFICER: (SENATOR BRUCE)

24. Senator McMillan to close.

25. SENATOR McMILLAN:

26. Mr. President and members of the Senate, one thing I would  
27. like to say is I'm particularly appreciative of the President  
28. of the Senate for allowing an opportunity for this measure to  
29. be voted on. I heard Senator Netsch's comments earlier about  
30. the Sales Tax Proposal being the one that was so great and I  
31. would merely say if it was so great, why did you sabotage every  
32. other attempt in the Spring Session and only allow the half-baked  
33. Sales Tax approach to be voted upon. At least at this point, we

1. are having another opportunity for this to be heard. With  
2. regard to Senator Gitz's objection, I would merely say, I  
3. strongly support a State-wide constitutional limit on the  
4. amount of money that the State can tax and spend. That needs  
5. to be done by amending the Constitution and you can't do that  
6. in this Body with the same kind of bill. With regard to  
7. Senator Carroll's comments about all those amendments drawn  
8. up in his office that he doesn't know what the intent or the  
9. content or the impact of those would be, I would merely indicate  
10. that negotiation and that work was done in good faith in an  
11. attempt to work out limits that would be reasonable and that  
12. could have support from that side of the aisle. The objections  
13. come from that side of the aisle to the exemptions and that's  
14. where the exemptions came from. If you don't like it, you  
15. shouldn't have shot so many damned holes in the bill because  
16. they came from your gun. Now, with all the comments that we  
17. have heard, day in and day out, in the news and everywhere else,  
18. about how hastily this proposal is being brought before you,  
19. let me just say a couple of things. It's been well over nine  
20. months that this kind of...this kind of an idea has had ample  
21. consideration. The Senate Revenue Committee had a lot of  
22. consideration, so much consideration that we had it in this room  
23. rather than our normal hearing room, so that the issue could be  
24. heard and Senator Egan, very generously, allowed everybody who  
25. wanted to say something about it to be heard and he did a  
26. commendable job. It did get an excellent hearing. It had a  
27. full debate on the Floor of this Body, when nearly everybody,  
28. who had anything to say, had a chance to talk about it. Every  
29. local unit of government in the State has had ample opportunity  
30. to understand what limits of any kind would do to them. After  
31. the Thompson Proposition passed, there were hearings around the  
32. State, including, Senator Wooten, one in Moline, in which there  
33. were ample opportunity for people to stand up and have a chance

1. to say what they thought about tax limitations. There has been  
2. ample opportunity, many, many times for people to know. We have  
3. been working closely, both sides of the aisle, in meetings. We  
4. have had a bill before us yesterday and overnight with the final  
5. form. I would merely say to Senator Bruce, who really commented,  
6. we only saw his bill an hour and a half ago. That grand proposal  
7. that's going to do everything for everybody has only been before  
8. us an hour and a half. There was another comment made that the  
9. press isn't competent enough to analyze what is going on here.  
10. I would merely state the press, eventually, will take a look at  
11. that bill that's been proposed on the other side of the aisle  
12. that we have only had an hour and a half to look at and there  
13. are a couple of things in there that will become very clear. It  
14. sounds good, but let's look at a couple of things that it does.  
15. In Cook County and in the City of Chicago, property is assessed  
16. at only sixteen percent of its value, when we are talking about  
17. residential property. Downstate, it's assessed at thirty-three  
18. percent of its value. In other words, the assessed valuation  
19. starts a heck of a lot lower in the City of Chicago and Cook  
20. County than it does downstate. Then when you take three thousand  
21. dollars off of that, who gets the big break? Again, it's the  
22. City of Chicago and Cook County. Senator Bruce cried and moaned  
23. about those people in his district comparing the twenty-five  
24. thousand dollar house in his district to the hundred and eighty  
25. thousand dollar house. How is he going to explain the fact that  
26. his big proposal for tax limitation provided twice as much ben-  
27. efit again for the City of Chicago and Cook County as it does  
28. downstate? That may sell in his district, but it sure as heck  
29. doesn't sell in mine. We need to look at this great amendment  
30. again. It has something else in it that the tax will figure  
31. out and realize that downstate got taken again. There is a  
32. special provision for counties where they...they classify  
33. property. Let me tell you what that says. If you are talking

1. about a house that's owned by an individual, but rented to  
2. somebody else downstate, this great Homestead Exemption won't  
3. apply, but that does apply in Cook County because residential  
4. property that is not occupied by...by the owner does qualify  
5. for this special exemption. Downstate...apartment buildings of  
6. six units or less, if the owner happens to live there, does  
7. qualify. In Cook County, if it has six units or less, but the  
8. owner does not live there, that qualifies. So, they are getting  
9. a double benefit in Cook County. So...so, don't tell me the  
10. press isn't smart enough to figure out that this again provides  
11. a heck of a lot more benefits for Cook County and the City of  
12. Chicago than it does downstate. I have no great expectation  
13. that there is going to be a groundswell of support for this bill.  
14. The press had it last night that it was dead. Many of you  
15. who worked with us in trying to work out exemptions have now  
16. decided that you are not going to support it no matter what,  
17. but I would merely say this is the bill that provides a reasonable  
18. limit on the power of local governments to tax from local property  
19. taxpayers. This is the one that's before you, like it or not.  
20. This is also the only one that is reasonably fair. It's also  
21. the one that provides, if there's a real problem, voters will  
22. have a chance, with referendum, to say yes, we are going to go  
23. beyond that limitation. I'll tell you one thing. If this thing  
24. doesn't go, then the voters are really going to have a chance.  
25. If the Totten Proposal, which would provide some real teeth and  
26. probably some real problems for local units of government, if  
27. that thing ever gets on the ballot, all of you know that the  
28. voters are going to buy it and then we'll really have some  
29. limitations on local units of government. If you want a  
30. reasonable approach that does provide a little healthy realization  
31. of problems for local units of government, this is it, but if  
32. not, the voters may have a chance to vote on a real limit.  
33. PRESIDING OFFICER: (SENATOR BRUCE)

HB 2563  
Amend #5  
1-23-80

1. Senator McMillan has moved the adoption of Amendment No. 4  
2. to House Bill 2563. Those in favor will vote Aye. Those  
3. opposed will vote Nay. The voting is open. Have all voted  
4. who wish? Have all voted who wish? Take the record. On  
5. that question the Ayes are 23. The Nays are 26. Amendment No.  
6. 4 is lost. Channel 3 News requests permission to film the  
7. proceedings. Is there leave? Leave is granted. Further  
8. amendments, Mr. Secretary?

9. SECRETARY:

10. Amendment No. 5 offered by Senator McMillan and Shapiro.  
11. It's lettered...B and the LRB No. is LRB8106272SJMAAM08.

12. PRESIDING OFFICER: (SENATOR BRUCE)

13. Senator McMillan.

14. SENATOR McMILLAN:

15. Mr. President, in light of the fact that the first amendment  
16. failed, the next four Shapiro-McMillan amendments should be  
17. withdrawn.

18. PRESIDING OFFICER: (SENATOR BRUCE)

19. The amendments will be withdrawn. The Secretary informs  
20. me, Senator McMillan, there were only three additional amend-  
21. ments. I think it was three to be withdrawn. The next  
22. amendment is...

23. SENATOR McMILLAN:

24. No, there were...there were five altogether, weren't there...  
25. right at the...I could be incorrect.

26. SECRETARY:

27. You had A, B, C and D and then the next amendment was  
28. offered by Martin...or Bloom, Martin and Regner.

29. SENATOR McMILLAN:

30. Well, leave...the three that were McMillan-Shapiro, withdraw  
31. them.

32. PRESIDING OFFICER: (SENATOR BRUCE)

33. All right. Those amendments will be withdrawn. Further  
amendments, Mr. Secretary?

1. SECRETARY:

2. Amendment No. 5 offered by Senators Bloom, Martin and  
3. Regner. It is LRB No. 8106272SJMAAM07, consisting of five  
4. pages.

5. PRESIDING OFFICER: (SENATOR SAVICKAS)

6. Senator Bloom.

7. SENATOR BLOOM:

8. Well, thank you, Mr. President. This amendment would  
9. have provided some of the features in HJR 13 and been in  
10. response to Senator...the complaints from the other side of  
11. the aisle that somehow the State ought to set its house in  
12. order. It would have had the State set its house in order  
13. and would have provided a cap on taxes and spending. In light  
14. of the fate of the first amendment offered by Senator McMillan,  
15. I'm too short in the time...the first four amendments. I  
16. would withdraw this at this time. We will address that at a  
17. later date.

18. PRESIDING OFFICER: (SENATOR SAVICKAS)

19. Senator Bloom withdraws Amendment No. 5. Any further  
20. amendments, Mr. Secretary.

21. SECRETARY:

22. Amendment No. 5 offered by Senator Bruce and Egan.

23. PRESIDING OFFICER: (SENATOR SAVICKAS)

24. Senator Bruce.

25. SENATOR BRUCE:

26. Thank you, Mr. President and members of the Senate.  
27. Amendment...Amendment No. 5 is the amendment that has been  
28. discussed, I think, in reference to Amendment No. 4 and what  
29. it does is one minor thing and that is to clarify that in  
30. non-computer operated assessing counties that they do not have  
31. to compute the actual cash going to each district. Many of  
32. the assessors came to us and said it was going to be...and  
33. county clerks, that that would be almost impossible to handle

1. and so that minor change is within there, but it does two  
2. things that have been discussed widely in the last couple of  
3. weeks and that is, first of all, it says to every taxing  
4. district in the State of Illinois that has received income  
5. from any source which is additional in nature, they may abate  
6. the taxes back to the local taxing districts. We have heard  
7. a lot of comment about the capturing of additional revenue and  
8. abatements and the problem of the increased assessments, but  
9. I would say to you that in many, many places the taxing  
10. districts have used quite responsibly additional sources of  
11. revenue and to mandate a...abatment would be nearly impossible  
12. because it could not be engineered to fit all of the more than  
13. six thousand taxing units. So, what this bill says is that  
14. they may abate and, in fact, many school districts throughout  
15. the State of Illinois have, in fact, already abated taxes. One  
16. in my district that has a three million eight hundred thousand  
17. dollar budget abated eight thousand dollars in taxes...eight  
18. hundred thousand dollars in taxes this year. So, that is the  
19. first proposal. The second is to give a three thousand dollar  
20. Homestead Exemption to every owner of residential property in  
21. the State of Illinois. It is clear by the legislation and  
22. although one newspaper got confused with the...the Homestead  
23. Exemption for senior citizens, this legislation applies to  
24. every residential home owner in the State of Illinois and says  
25. to the assessors around the State of Illinois, you shall reduce  
26. the assessments by three thousand dollars any time there is  
27. an increase in that property assessment. If your assessment  
28. went up five hundred dollars last year, you got the full benefit.  
29. If it were to go another twenty-five hundred dollars this year,  
30. you would still have the full benefit. No tax increase up to  
31. three thousand dollars increase in assessed valuation of your  
32. property and I think that is the kind of tax relief we have  
33. tried to engineer and develop tax programs in the State of Illinois

1. that will help those most in need and the people that we have  
2. identified, I think, clearly are those residential home owners  
3. who have been...have had increases in their residential  
4. equalized assessed valuation and seen that go onto their tax  
5. bills. This says you get the first three thousand dollars in  
6. increase in value in your property absolutely free and for  
7. almost every property owner in the State of Illinois it means  
8. a tax freeze on their home for several years to come and I  
9. move the adoption of Amendment No. 5.

10. PRESIDING OFFICER: (SENATOR SAVICKAS)

11. Is there further discussion? Senator Shapiro.

12. SENATOR SHAPIRO:

13. Mr. President, will the sponsor of the amendment yield  
14. to a couple of questions?

15. PRESIDING OFFICER: (SENATOR SAVICKAS)

16. He indicates he will.

17. SENATOR SHAPIRO:

18. Senator Bruce, could you answer me, since this...on the  
19. bottom of page 1 and the top of page 2, where the...it refers  
20. to property that is classified, does this apply to a non-owner  
21. occupied residence?

22. SENATOR BRUCE:

23. Well, Senator Shapiro, it does not. It would apply to  
24. non-residential property in the County of Cook. Cook County  
25. is the only county in the State of Illinois that presently  
26. classifies property. They have Class I and Class II dwellings  
27. and, as you know by newspaper articles that have been in the  
28. paper for some time, the present assessor in Cook County was  
29. unable to actually physically determine whether or not when  
30. Senator Knuppel's amendment went on last year that this was  
31. used as residential property. There was a question...it was  
32. used to be owner occupied. It was changed to residential and  
33. there...there is what is known as Class II property which

1. includes units up to six. Former Senator Hynes decided that  
2. the only way that they could insure that each individual in  
3. Cook County got the benefit of this proposal was to include those  
4. people in the benefit and allow the fifteen hundred dollar  
5. exemption. He is presently, I think, this legislation which  
6. was prepared and sent to...to Springfield for our consideration  
7. will clarify that what he is, in fact, doing is appropriate.  
8. I...I might say, Senator, that also Senator...or Representative  
9. Madigan's amendment last year also changed the complexion of  
10. the bill to include condominium owners since they were clearly  
11. owners, but under the original legislation is was not clear.  
12. So, they are...they are, in fact, covered.

13. PRESIDING OFFICER: (SENATOR SAVICKAS)

14. Senator Shapiro.

15. SENATOR SHAPIRO:

16. Then what you are telling me that a dwelling, single family  
17. dwelling, which is rented and not occupied by the owner receives  
18. the Homestead Exemption. What we are doing is legalizing what  
19. was being done up in Cook County illegally.

20. PRESIDING OFFICER: (SENATOR SAVICKAS)

21. Is that a question or a statement?

22. SENATOR SHAPIRO:

23. That's a question.

24. PRESIDING OFFICER: (SENATOR SAVICKAS)

25. Senator Bruce.

26. SENATOR BRUCE:

27. I don't think that I can judge the legality. The problem  
28. is the assessor of Cook County does not...cannot physically go  
29. out, as some of our assessors can in downstate, and see if a home  
30. is...is occupied by the owner and all this says is, in fact,  
31. that those people are eligible for the relief just as it is, in  
32. fact, being done in Cook County.

33. PRESIDING OFFICER: (SENATOR SAVICKAS)

1. Senator Shapiro.

2. SENATOR SHAPIRO:

3. Wouldn't the proper thing to have done would be to let  
4. this apply to downstate also, just to kind of equalize them  
5. out and...and not just to Cook County?

6. PRESIDING OFFICER: (SENATOR SAVICKAS)

7. Would you repeat that, Senator Shapiro?

8. SENATOR SHAPIRO:

9. Yes, Senator Bruce, doesn't this discriminate against  
10. downstate in that we are not allowing the same provision for  
11. downstate counties?

12. PRESIDING OFFICER: (SENATOR SAVICKAS)

13. Senator Bruce.

14. SENATOR BRUCE:

15. Senator, it does not because we do not classify property  
16. in Downstate Illinois and, as you know, in a classify...in a  
17. county that classifies, there are differential rates that  
18. apply in Cook County to these various dwellings and for them  
19. to receive any benefit, there will be a need for a substantial  
20. increase in their assessment. So, no, when you combine the  
21. fact that it is classified property and the differential tax  
22. rates which are applied, the benefits equal out between downstate  
23. and Cook County.

24. PRESIDING OFFICER: (SENATOR SAVICKAS)

25. Senator Shapiro.

26. SENATOR SHAPIRO:

27. Well, it just appears to me, Mr. President, if I may speak  
28. to the...to the amendment, that we are giving home owners and  
29. people who own single apartment dwellings and apartment owners  
30. of six units or less, whether they occupy the building or not,  
31. a Homestead Exemption that is not given to the same class of  
32. property owner downstate and I say this in spite of the fact that  
33. Cook County does classify. To me, that makes no difference. In

1. other words, what I am saying is that it should apply uniformly  
2. throughout the State and it does not and, furthermore, I'd  
3. like to point out to everyone that this amendment on the abate-  
4. ment or reduction of the levy which in turn would reduce the  
5. taxes of the homeowner is permissive and not mandatory, as it  
6. should be. Furthermore, when you consider this amendment, please  
7. keep in mind, Ladies and Gentlemen, that for approximately sixty  
8. to seventy percent of the taxpayers of this State, who reside  
9. in Home Rule units, it does absolutely nothing and for this  
10. reason, in a Home Rule unit, there is no limitation on the  
11. tax rate and when that Home Rule unit presents its budget  
12. to the county clerk for the spreading of the taxes, even though  
13. the Homestead Exemption is included and it reduces the total  
14. assessed valuation on the whole part or individually on the  
15. homeowners' part, all that happens is that the county clerk  
16. spreads the taxes on the basis of the budget and the amount  
17. of money it needs to produce and to offset this, the rate goes  
18. up. So, it's really null and void, as far as Home Rule units  
19. are concerned. Those taxpayers will receive no benefit from  
20. it at all. I'd also like to point out to you that in spite of  
21. the fact that we passed a general Homestead Exemption two years  
22. ago for fifteen hundred dollars, it has really done nothing to  
23. keep Real Estate Taxes from going up drastically and this forth-  
24. coming year is a good example. Granted, we gave everyone a  
25. fifteen hundred dollar Homestead Exemption, provided they  
26. apply for it, but at the same time, Real Estate Taxes are going  
27. up as high as they have ever been and in a single year jump.  
28. So, there is no justification to call this tax relief or even  
29. tax limitation. The...really, the actual effect of the bill  
30. is practically null. It won't help most of the real estate  
31. homeowners throughout the State and I, personally, think, that  
32. this amendment ought to be defeated and that we ought to  
33. reconsider the Amendment No. 4 that was offered to 2563 in order

1. to provide some real tax limitations for our real estate tax-  
2. payers throughout the State.

3. PRESIDING OFFICER: (SENATOR SAVICKAS)

4. Senator Maragos.

5. SENATOR MARAGOS:

6. Mr. President and members of the Senate, the only comment  
7. I have to make which was in answer to the eloquent remarks of  
8. the Minority Spokesman of the Revenue Committee was to say to  
9. Senator McMillan that all you have to do is classify downstate  
10. and you will have the same relief that you are complaining about  
11. you do not get under this bill. I've stated many years that the  
12. question of the...you take your property, your farm and your  
13. agricultural interests who prevent you at this time, who do not  
14. want classification downstate, you could do the same thing if  
15. you think it's an injustice caused to the downstate taxpayer.

15. PRESIDING OFFICER: (SENATOR SAVICKAS)

16. Senator Netsch.

17. SENATOR NETSCH:

18. Thank you, Mr. President. The suggestion that there is  
19. no help at all involved in this proposal eludes me entirely  
20. because, as I understand it, the exemptions at the fifteen  
21. hundred dollar level that was the bill that we passed several  
22. years ago has already meant that eight hundred and twenty  
23. million dollars worth of property has been...or of increased  
24. evaluation has been exempt downstate, five hundred and ninety-  
25. five million in Chicago. Now, that suggests to me two things.  
26. One, that all of that increase in assessed valuation  
27. would, in fact, have been subject to property taxation  
28. at the existing levels, if it were not for the original  
29. Homestead Exemption Bill that we passed two years ago. That,  
30. it seems to me, suggests this is not a nothing bill, particularly  
31. when those figures are to be doubled. I think the second thing  
32. that it suggests is that, in fact, there is a limitation built into  
33.

1. this bill. Again, that is all assessed valuation that would  
2. have been subject to property taxation. The revenue therefrom  
3. would have been available to units of local government without  
4. the original form of this Homestead Exemption. If we double  
5. that, we will, in effect, be doubling that amount of assessed  
6. valuation that will be, in effect, removed from the property  
7. tax rolls, removed from the property tax rate and therefore,  
8. removed from governments' capacity to spend the revenues that  
9. would otherwise be available as a result of that. I don't see  
10. how you can suggest that there is not a limitation involved in  
11. this kind of a proposal. In fact, one of the glories of this,  
12. when we first passed it a couple of years ago, is that it does,  
13. indeed, respond to the concern of taxpayers that there is no  
14. end to that which is going to be subject to taxation, including  
15. the inflated value of their homesteads, without any relief at  
16. all in sight. We are not cutting back on existing government  
17. services. We are not yanking money out of the hands of school  
18. districts and other...park districts and other units of local  
19. government, but what we are saying is that of that increase  
20. that would normally come to you through your existing tax  
21. structure, you are simply not going to get some of it. We are  
22. going to remove that from your taxpaying...or taxspending  
23. hands and allow it to, in effect, be a form of indirect tax  
24. relief, certainly a limitation on growth. It seems to me that  
25. it directs itself precisely to what all of us have indicated  
26. and what the voters, I think, were indicating in supporting  
27. the so-called Thompson Proposition, that they wanted some end  
28. in sight to what government would continue to take away from  
29. them, in this case, in the form of property taxation.

30. PRESIDING OFFICER: (SENATOR SAVICKAS)

31. Senator Schaffer.

32. SENATOR SCHAFFER:

33. Mr. President, if I understand Senator Netsch correctly,

1. what she just said is that this amendment isn't going to take  
2. any money from the taxing bodies or cut any service, but some-  
3. how it's going to provide tax relief. I'm not sure I follow  
4. that. I think we have to bear in mind there are two facets  
5. in the Property Tax that have to be controlled. One is the  
6. assessed valuation and the other is the rate. This amendment  
7. addresses assessed valuation. It does nothing for the rate.  
8. Senator Netsch, I'm trying to explain to you why it doesn't do  
9. what you think it does. That's simply this. If you take a little  
10. bit off the assessment level and those taxing bodies such as  
11. Home Rule units who have tax rate that they can raise at their  
12. caprice, they just simply raise the rate and get it back with  
13. a higher rate. Therefore, you provided no tax relief. Perhaps,  
14. you shifted, in part, some of the burden from the homeowner to  
15. the small businessman and to the large businesses around and  
16. the other commercial property. I'm sure the business community  
17. will be delighted to know they are being zonked again, but,  
18. frankly, it doesn't accomplish what you think it will and there  
19. even seems to be, at least on this side, some confusion as  
20. to whether or not the people downstate have even been getting  
21. the first fifteen hundred dollars. I...I find, to my amazement,  
22. in some counties, evidently, you have to go in and apply for it  
23. and I haven't heard about anybody having to apply for it and I'm  
24. a little confused as to how the first fifteen hundred dollars  
25. is being implemented, but, Senator Bruce, a question for the  
26. sponsor, if I can. One comment, one, if you think three thousand  
27. dollars is going to cover the assessment increases in my part  
28. of the State, you haven't seen the assessment increases. We've  
29. had increases in assessed valuation which in candor, the  
30. assessors have done their job, honestly reflect increases in  
31. property value that you'd need to put a twelve or fourteen  
32. thousand dollar exemption in just to begin to control, but my  
33. question is, since we appear to be giving Cook County, which

1. does classify and by the way, Senator Maragos, there are some  
2. of us downstate that classification downstate isn't quite a  
3. bugaboo to, are we not, in fact, giving, if you will, a homeowner  
4. in suburban Cook County or Chicago twice the assessment break  
5. as we are downstate with this proposal and if so, how is that  
6. justified and if that is also so, how does this impact on the  
7. School Aid Formula, if we are, in fact, going to double the  
8. assessment reduction on the average homeowner in Cook County  
9. as opposed to the homeowners downstate. I think there are some  
10. of us downstate that, you know, have been running around for  
11. years saying that we are being ripped off from our...our friends  
12. from the shores of Lake Michigan and maybe we are a little  
13. sensitive on that. Can you answer those two questions for  
14. me, Sir?

15. PRESIDING OFFICER: (SENATOR SAVICKAS)

16. Senator Bruce.

17. SENATOR BRUCE:

18. Well, I'm...I'm probably as sensitive to anybody to upstate-  
19. downstate problems, Senator Schaffer, and I...I'm concerned  
20. just as Senator Shapiro is about how downstate might be taken  
21. to the cleaners on any particular piece of legislation, but  
22. I would alert you to the fact that I tried to explain the fact  
23. that there are classifications of property in Cook County and  
24. in that lowest classification is a tax rate of sixteen percent.  
25. Now, a homeowner in Cook County, to get the benefit of this  
26. proposal is going to have to have his taxes raised eighteen  
27. thousand dollars before he gets the benefit because, you see,  
28. he's only assessed at sixteen percent. He's half your rate so,  
29. to get the full benefit, he's got to be taxed twice as high as  
30. you are and that's not going to happen in Cook County. You've  
31. got...well, if your residential property in Cook County is  
32. at sixteen percent, the only way you are going to get this  
33. benefit, is to have your assessment raised eighteen thousand

1. dollars. If you are thirty-three percent, you get the full  
2. benefit by raising your assessment nine thousand dollars.  
3. Now, that's...that's the way it works out, guys. Sixteen  
4. percent is nearly half of thirty-three, you just double the  
5. exemption, you have given a downstater twice as much tax relief.  
6. The way the bill is drafted, each person in every county in the  
7. State of Illinois, where they classify or not classify, is  
8. given identical tax relief and I'm as concerned about that  
9. as anybody, but when we are only taxed at sixteen percent,  
10. you have to double their exemption to get the same amount of  
11. tax relief as a downstater does.

12. PRESIDING OFFICER: (SENATOR SAVICKAS)

13. Senator Schaffer.

14. SENATOR SCHAFFER:

15. Well, I can tell you from the reaction from some of my  
16. colleagues on this side from suburban Cook, an eighteen  
17. thousand dollar increase in assessed valuation of a home is  
18. not that an unusual thing. I would suggest to you, Sir, you  
19. might take a good look at that cleaning truck you are driving.  
20. It may say City of Chicago on the side.

21. PRESIDING OFFICER: (SENATOR SAVICKAS)

22. Further discussions? Senator Wooten.

23. SENATOR WOOTEN:

24. Well, thank you, Mr. President. I rise in support of  
25. this bill because it does two things with which we have some  
26. familiarity enough which we have some knowledge. The difficulty  
27. with the proposals that have been made in what has been,  
28. admittedly, a hasty attempt to put something together to satisfy  
29. the need to get back on the side of some kind of tax relief is  
30. that nobody really knows what all those proposals would sort out  
31. to. We just don't know. We obviously have a difference in  
32. interpretation as to what this bill does vis-a-vis Chicago and  
33. downstate. We feel fairly confident it's equal and we have

1. been surprised before, but I don't think we are going to be  
2. surprised in this. The point is the single thing we ought  
3. to be doing here, and perhaps the only thing, is to give to  
4. local units of government the authority to abate their levy  
5. at any time. Home Rule units have that authority now and  
6. municipalities have that authority. I don't think, by  
7. Statute, anybody else does. I...I can't be sure, but I  
8. know that many taxing units say that once we have established  
9. a levy, that's it. We are locked in. This makes clear that  
10. they aren't, that they can abate and we expect that they  
11. will. To try to mandate some kind of abatement, means tailor-  
12. ing a bill to sixty-four hundred some local units of government,  
13. all of which have quite a bit of difference and diversity  
14. to deal with. Putting on the...doubling the Homestead  
15. Exemption is an attempt to respond to the...to the hopes  
16. that the Governor has raised. He is trying to lead people  
17. to believe that we are going to have something substantial  
18. coming out of this Session. The first proposed amendment  
19. simply does not do that. This, I hope, will and it targets  
20. it. It doesn't give the major benefit to the wealthiest land-  
21. owner in the community. It targets it to those individual  
22. homeowners, in particular, those on fixed incomes. I suggest  
23. to you that the people back home in local government are not  
24. thieves. They are responsible people. They find they have to  
25. do difficult, responsible things in order to make government  
26. work. We ought to address a very real problem in local govern-  
27. ment and I tell you right up front, I don't know how. The  
28. State takes far more money from the citizens of Illinois than  
29. do local governments, but local governments are exposed. Those  
30. bills are paid in lump sums. We extract ours every time they  
31. buy something or we have their Income Tax withheld. People  
32. get a refund, they actually feel grateful. We are the ones  
33. that take the money and the Federal government does it in spades,

1. but local governments are exposed. That's where the money is  
2. needed, not so much at the State and the Federal government  
3. can do with a great deal of tax relief for its citizens. I  
4. don't think it's a particularly noble thing for us to stand up  
5. here. You witnessed what it took to get the Governor to abate  
6. just one penny on food and sales, took an earthquake. We're  
7. not suggesting we cut State taxes or limit State taxes. We're  
8. putting the hammer on locals. I suggest that by giving them  
9. the authority they will behave responsibly. They live next  
10. door to these people that are having problems. We have had  
11. some experience of the Homestead Exemption. We know that works.  
12. By the way, you don't have to apply for it. It's automatic  
13. all over the State and if your county clerk and assessors  
14. aren't doing it, then they are breaking the law because it is  
15. automatic. I think we ought to come back in the Spring and  
16. deal with the problem of multipliers. That's where the problem  
17. occurs. We've got to do something to see that internal multipliers  
18. are applied in the county, thus negating the need of the State  
19. multiplier or at least lessening its impact on those people  
20. who...have been properly assessed. It's a technical, complicated  
21. problem. We ought to get to it. For right now though, I think  
22. these are two steps we ought to take and I hope we vote for this  
23. in the Body.

24. PRESIDING OFFICER: (SENATOR SAVICKAS)

25. Senator Davidson.

26. SENATOR DAVIDSON:

27. Question to the sponsor.

28. PRESIDING OFFICER: (SENATOR SAVICKAS)

29. He indicates he will yield.

30. SENATOR DAVIDSON:

31. The immediate past speaker, Senator Wooten, said that this  
32. allotment or this reduction in assessment was automatic and  
33. there is nowhere in this bill that I see where it's automatic

1. and under the first fifteen hundred, it wasn't automatic and  
2. that's what I'm concerned about. If we are going to say that  
3. we are going to do it, then let's make sure that all the down-  
4. state counties have that opportunity. Now, as I understand, the  
5. assessor in Cook County automatically give it to everybody  
6. without them applying, but I...at least I know in Sangamon  
7. County, the property owner had to apply and if you didn't apply  
8. by a certain date, too bad and I don't see that in this bill  
9. and I don't see anything automatic and that's the biggest  
10. thing wrong with this bill. If it's good for the goose, it's  
11. good for the gander, let's make it apply to everybody automatic...  
12. and not have them have to apply or give the assessor the option  
13. of not giving it to them.

14. PRESIDING OFFICER: (SENATOR SAVICKAS)

15. Was that a question or a statement?

16. SENATOR DAVIDSON:

17. Both.

18. PRESIDING OFFICER: (SENATOR SAVICKAS)

19. Senator McMillan.

20. SENATOR DAVIDSON:

21. No, no. He hasn't answered that question about whether  
22. it is or is not automatic.

23. PRESIDING OFFICER: (SENATOR SAVICKAS)

24. Oh, Senator Bruce.

25. SENATOR BRUCE:

26. Well, Senator Davidson, you didn't read the bill because  
27. in the bill it does say the following: "The assessors may deter-  
28. mine the eligibility of residential property to receive the  
29. Homestead Exemption provided by this Section by application,  
30. visual inspection, questionnaire or other reasonable means."  
31. That's what's in there. Now, if your assessor didn't give it  
32. to you, you ought to go down, grab him by the neck and shake  
33. him until he does what every assessor in my district did.

1. We gave it automatically and that's what they did in my  
2. district because I made sure that every one of my people got  
3. this exemption and any assessor that tries to deny it to  
4. people ought to be run out of town on a rail. Now, the  
5. Cook County assessor gave it and every other assessor can  
6. give it by just saying, "It's here," and they printed it on  
7. my tax bill. I didn't have to go down. I didn't have to do  
8. anything. He just took it off my tax bill and that's what they  
9. all ought to do.

10. PRESIDING OFFICER: (SENATOR SAVICKAS)

11. Senator Davidson.

12. SENATOR DAVIDSON:

13. ...another little part of that same section you are  
14. reading, it says questionnaires, other...such determination  
15. shall be made in accordance with guidelines established by  
16. the Department of Revenue. It's not automatic. The guidelines  
17. are established by the Department of Revenue and all I'm  
18. saying, if it's so damned important, then make it mandatory  
19. in the amendment.

20. PRESIDING OFFICER: (SENATOR SAVICKAS)

21. Senator McMillan...Senator Bruce.

22. SENATOR BRUCE:

23. First of all, Senator Davidson, those regulations relate  
24. to the fact that you cannot give this illegally. You cannot,  
25. as assessor, go out and say, "Gee, I think everybody...we'll  
26. just give it to them," and that's the regulations and by the  
27. way, this bill was signed under Governor Jim Thompson. It's  
28. his director. If he screwed the program up, go down to the  
29. second floor and tell them to straighten it up. Those regulations  
30. only say you've got to do it properly. It does not say that  
31. you cannot give it in any reasonable way you want to.

32. PRESIDING OFFICER: (SENATOR SAVICKAS)

33. Senator McMillan.

1. SENATOR McMILLAN:

2. I won't question at all Senator Bruce's good intent. I  
3. will state that he did misrepresent the fact when he said it  
4. was automatic. That may have been your intent, but it was not  
5. automatic and I think that should clearly be reflected. I stated  
6. previously many of my objections to this bill, the fact,  
7. primarily, that it is not a substantial limit. I object to  
8. the fact that it allows a substantial shift in taxes and for  
9. those people who have to pick up the extra burden, as they  
10. did when we replaced the Corporate Personal Property Tax, it  
11. certainly isn't relief. It's an additional tax. I would  
12. continue to express that very clearly it discriminates against  
13. downstate. It discriminates in two ways. One, because the  
14. relief is double for Cook County. Yes, it may take a little  
15. longer for the full relief to apply, but it's double there to  
16. what it is downstate and second, that a lot more properties  
17. come under the relief in Chicago than it does downstate and  
18. that simply is not fair. The Constitution, Senator Maragos,  
19. prohibits classification in certain counties. It just isn't  
20. as simple as saying we want to classify in certain counties  
21. and the Constitution, after all, does prevail. Probably the  
22. most telling thing is, the most significant difference between  
23. this kind of an approach and the kind of approach that we were  
24. talking about earlier is whatever effect this bill would have  
25. in those counties where it is made available immediately or  
26. where citizens go in to get it, it applies once and the next  
27. year you are right back up to the substantial increases that  
28. you had. This does not provide any meaningful long-term  
29. limits. If you want to vote for it, vote for it because of  
30. what it is, but don't vote for it because it is providing any  
31. meaningful long-term limits because it does not. When the  
32. assessments jump again as they must in an inflationary economy  
33. like we have, the tax bill is going to come along, the tax-

1. payer is going to be taken again and no limit will be there.

2. PRESIDING OFFICER: (SENATOR SAVICKAS)

3. Senator Nimrod.

4. SENATOR NIMROD:

5. Thank you, Mr. President and Ladies and Gentlemen of the  
6. Senate. It seems to me that we are hearing statements being  
7. made on both sides of the aisle and looking at this bill which  
8. is supposed to be so simple in defining it that we are certainly  
9. not getting any facts. I hear...sit here an become rather  
10. confused that...one denies it and one professes that it's there,  
11. but when you...my interpretation in reading this bill has  
12. certainly been stated by our Minority Leader and some of the  
13. members on this side of the aisle and that is that there is  
14. no limitation, that, in fact, we are not really addressing the  
15. subject of what we came here to do, what this whole Session  
16. was called about and why we are here in January. We were here  
17. to put a tax limitation. We are not going to satisfy the people  
18. back home. They are going to be looking for a limit on spending  
19. and income and their money that's going to go into the pot.  
20. The total dollars are still going to be the same. Local  
21. government is in no way being harnessed in this particular  
22. program. They are going to get the same dollars that they ask  
23. for. There is no limit, as was said by Senator Schaffer, on  
24. the rate. We find that the same number of dollars will go in  
25. and all that happens is that the same amount of money that  
26. they are going to request...be requesting is going to be spent.  
27. That, in fact, is not tax limitation. That is not tax relief.  
28. This is just kidding ourselves and I think that we are going to  
29. be found out and instead of coming back here and being worried  
30. about which of you are going to be left and which one of you  
31. are not, they are going to get so upset with you that you are  
32. going to find that a constitutional amendment is what you are  
33. demanding by taking this approach. I think we are here...better

1. off to do nothing today than we are, in fact, going ahead and  
2. taking and putting this kind of an amendment on and trying to  
3. kid the public. It seems to me that this Homestead Exemption  
4. that is being proposed is nothing but a round-about way of  
5. saying that we came here and justified the few days that we were  
6. here. I can't understand at all why we do not respond to what  
7. is being indicated back home. Now, maybe those who have a  
8. sure district don't have to be concerned and they continue...  
9. think they can continue to fool the public. It's not going  
10. to happen. You are going to be back here and you are going to  
11. be faced again with this problem and this is a poor excuse for  
12. supporting it. Now, I'm sure we are going to have to vote  
13. for the bill, if the amendment ever gets on, but I'm one who  
14. is not going to go back home and tell the public that I would  
15. support something that's going to kid them and fool them and  
16. not tell them the truth.

17. PRESIDING OFFICER: (SENATOR SAVICKAS)

18. Senator Egan.

19. SENATOR EGAN:

20. Thank you, Mr. President and members of the Senate. I...  
21. I hate to take the time to talk about the obvious, but it...I  
22. don't believe what I hear. I...it's astounding to me that...that  
23. I have heard from Senator Shapiro, as well as Senator Schaffer,  
24. that there is a discrimination against downstate homeowners and  
25. in addition thereto, there is no relief, when, in fact, quite  
26. the contrary is true. Thirty-three percent of three thousand  
27. dollars is greater than sixteen percent of three thousand dollars  
28. and that's the relief that this bill affords the downstate  
29. homeowner, number one and number two, it's so obvious, I hate  
30. to take your time to say that when you reduce the homeowner's  
31. assessed valuation, he doesn't pay tax on that assessment. That  
32. does not apply to business. This is a tax relief, simple, pure  
33. tax relief for the homeowner. There's no discrimination and

1. if there is, it certainly does not mitigate against the down-  
2. state homeowner. It mitigates against the Cook County homeowner  
3. and simply that and nothing more.

4. PRESIDING OFFICER: (SENATOR SAVICKAS)

5. Senator Berning. Senator Rock...Senator Berning.

6. SENATOR BERNING:

7. Mr. President, thank you. I wanted to briefly comment on  
8. a statement made by the Honorable Senator Maragos, who challenged  
9. the other counties to classify and thereby come under the great  
10. benefits that accrue to Cook County with its classification. I  
11. simply want to point out to the members of the Body who may not  
12. have taken the trouble to look into the pros and cons of  
13. classification that unless your county has a vast industrial  
14. and commercial base, classification is going to produce no  
15. benefits whatsoever. Now, Cook County does have this huge  
16. industrial and commercial base, so, in Cook County residential  
17. real estate may be classed at sixteen percent, the industrial  
18. properties assessed at forty or some forty-odd percent and by  
19. then lumping them together and averaging, you come out with the  
20. thirty-three and a third which is the State mandatory assessment  
21. rate. Now, in my little county of Lake County, we assess  
22. real estate...residential real estate at thirty-three and a  
23. third. If we were to attempt to classify and go the same route  
24. as Cook County with sixteen percent on residential, we do not  
25. have the industrial base to shift the burden to in order to  
26. come out then with an equalized county assessed valuation of  
27. thirty-three and a third and thereby qualify under the Statute  
28. as meeting the mandated average thirty-three and a third per-  
29. cent. Senator Maragos, I thought it appropriate that you be  
30. informed as to why, at least for one reason, some of us...some  
31. of our counties, are in no position to classify and I can re-  
32. iterate for you why it's a great burden for the citizens of  
33. my county, who are divided by an imaginary line from Cook County,

1. and builders have built a house on the north side of the Lake  
2. Cook Road identical to a house on the south side of the Lake  
3. Cook Road and those then in Lake Cook at sixteen percent of  
4. valuation and those on the Lake County side at thirty-three  
5. percent have Real Estate Tax bills that are one hundred per-  
6. cent higher in Lake County. This is why this great bonanza  
7. here offered to the citizens. is of no such great inducement  
8. to my citizens and to Senator Netsch, again with all due  
9. respect, I believe you are misconstruing assessed valuation  
10. rates and levy. I think you are not totally informed as to  
11. what the differences are and our rates will offset any assessed  
12. valuation lost through this. The tax bills will be just as  
13. great or greater. Our valuation is going up at the rate of  
14. ten to twenty-five percent a year. This will offer no real  
15. benefit.

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19. (End of Reel #2)  
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1. PRESIDING OFFICER: (SENATOR SAVICKAS)

2. Senator Maragos for the second time.

3. SENATOR MARAGOS:

4. All I want to say, Senator Berning, the Constitution does  
5. not prevent any county over two hundred thousand or more to class-  
6. ify, any excuses that you may use why you don't downstate, that's  
7. your privilege, and nobody's saying that you should, but don't  
8. cry when you don't get the benefits because you don't classify.  
9. Thirdly, I'd like to say that you really do have the...classification  
10. in many counties, and I think you would be the first to admit it.

11. PRESIDING OFFICER: (SENATOR SAVICKAS)

12. Senator McMillan, for the second time.

13. SENATOR MCMILLAN:

14. I apologize for talking a second time, but I...I think because  
15. I, again, believe I think the press is smart enough and wise enough to  
16. deal with this, that we ought to walk through an example to  
17. show you that downstate is getting taken to the cleaners. Let's  
18. take a sixty thousand dollar house in Cook, on the one hand, and  
19. a sixty thousand dollar house downstate on the other. Write  
20. it down on two sides of a piece of paper. In Cook County we assess  
21. it at sixteen percent, if my math is correct, that means that the  
22. beginning assessed evaluation would be ninety-six hundred dollars,  
23. if we go over on the other side, it's twenty thousand dollars.  
24. That's what we start out with. Now, we come along in a year, in  
25. which we have a ten percent, which is conservative, a ten percent  
26. assessed evaluation increase. All right, that adds nine hundred  
27. and sixty dollars onto the downstate one, it would add two  
28. thousand dollars onto the...excuse me, the nine hundred and sixty  
29. dollars would be added onto the Cook County one, and you would  
30. add two thousand dollars onto the downstate one. Okay, we have a  
31. fifteen hundred dollar Homestead Exemption from that increase, that's  
32. going to wipe-out that whole nine hundred and sixty dollars for  
33. Cook County, which means their assessment would stay the same at

1. ninety-six hundred, it would wipe-out fifteen hundred dollars of  
2. that two thousand dollar assessment downstate, but it...their assess-  
3. ments would still increase five hundred, so theirs would be  
4. twenty thousand five hundred. Okay, at the end of one year, downstate  
5. it's going to be twenty thousand five hundred dollars on that sixty  
6. thousand dollar house in Cook County, it's going to be ninety-  
7. six hundred dollars on that sixty thousand dollar house. We  
8. have a little left over in Cook County so next year we have another  
9. additional ten percent increase. Okay, you go back in Cook County  
10. to the ninety-six hundred dollars, a ten percent increase would  
11. be nine hundred and sixty dollars, but they have five hundred  
12. and forty dollars of benefit left over. So, you subtract five  
13. hundred forty and nine hundred and sixty and yes they will get  
14. a meager increase next year, of four hundred and twenty dollars.  
15. That would make theirs ten thousand two hundred dollars on that  
16. sixty thousand dollar property. Go over to the other column, the  
17. ten percent increase would be an assessment increase of two thousand  
18. fifty dollars. You add the two thousand fifty dollars onto the  
19. twenty thousand five hundred, and you end up with an assessment  
20. of twenty-two thousand five hundred and fifty. Don't tell me that  
21. twenty-two thousand five hundred, fifty dollars, is not more than  
22. twice as much as ten thousand two hundred dollars on the same value  
23. property. Now, if you want to do it, fine, but don't say that it  
24. doesn't benefit Cook County twice as much as it does downstate. The  
25. facts simply do not bear that out.

26. PRESIDING OFFICER: (SENATOR SAVICKAS)

27. Is there further discussion? Senator Rock.

28. SENATOR ROCK:

29. Thank you, Mr. President, and Ladies and Gentlemen of the  
30. Senate. I rise in support of Amendment No. 5, and for many reasons.  
31. Not the least of which is when the Governor issued his special  
32. call on that fateful Friday evening, to commence on that fateful  
33. Saturday. Many of us worked long hard hours with the bureaucrats and

1. technicians, and technical people to try to see if, in fact,  
2. there was some way we could accomplish what we all want to  
3. accomplish, namely tax relief, property tax relief, and yet  
4. not devastate the units of local government across this State.  
5. Frankly, the prior amendment, the one that was negotiated long  
6. and hard over the past couple of weeks, its effect, ultimate  
7. effect would I suggest was and is unknown. We are dealing with  
8. or would have been dealing with one thousand plus school  
9. districts, ninety some home rule units, a hundred and two counties,  
10. fourteen hundred municipalities. We had effectively delayed the  
11. effective date as it applied to the City of Chicago, and as it  
12. applied to the Cook County levy, insofar, as it related to Cook  
13. County Hospital. The fact of the matter is, that I don't think  
14. anybody disputed the fact that that kind of limitation would  
15. have impaired if not voided the accessibility of those districts  
16. to the financial market. There are a number of school districts  
17. across this State, a number of municipalities, a number of counties,  
18. that on a regular basis have to go to the financial market for  
19. tax anticipation notes, in order to keep those districts running  
20. in order to provide those services that the people demand, and  
21. I suggest to you in these very precarious financial times, that  
22. that kind of limitation would impair if not void that accessibility  
23. and thus those districts would have been looking to the State and  
24. indeed the accessibility to the market to the State itself, when  
25. we go to the market in April, may well have been impaired. So,  
26. what we're trying to do here, is afford everyone on a bi-partisan  
27. basis the opportunity to provide meaningful property tax relief,  
28. and we have done that simply by doubling the Homestead Exemption.  
29. Additionally it was pretty widely thought that we had to afford to  
30. the local districts the opportunity to abate, the Governor mentioned  
31. that in his State of the State Message, and we agreed with that, and  
32. that's what this amendment does. It seems to me if we want to get  
33. the job done, and want to get out of here, Amendment No. 5 is a

1. reasonable, rational approach, I am reliably informed that the  
2. Governor has indicated that he would look favorably upon it, and  
3. I urge support for Amendment No. 5.

4. PRESIDING OFFICER: (SENATOR SAVICKAS)

5. Is there further discussion? If not, Senator Bruce may close  
6. debate.

7. SENATOR BRUCE:

8. Thank you, Mr. President, and members of the Senate. Let me  
9. just say that the bill, as it proposed to be amended, gives an  
10. immediate three thousand dollar reduction in equalized assessed  
11. valuation for all residential taxpayers, and this is a tax increase  
12. or a tax savings to each taxpayer that continues every year. It  
13. isn't something that goes away, someone says this is just one year's  
14. relief, it isn't. Whatever you save in taxes this year is  
15. the same you're going to save next year and the next year, and the  
16. next year, and the next year, because the three thousand dollars is  
17. always there and is always three thousand dollars less than you  
18. would have had had the bill not been passed. We took off 1.4  
19. billion dollars off equalized assessed valuation under the Hynes  
20. Proposal, and for those of you that are concerned about the problems  
21. with upstate and downstate, I would reiterate that that was a  
22. savings to the local taxpayers in downstate of eight hundred and  
23. twenty million dollars in equalized assessed valuation, and to  
24. a Cook County taxpayer, five hundred and ninety-five million in  
25. EAV. Now, that's how it broke down, that's own Department of Revenue  
26. figures. If anyone's being taken advantage of, I don't know, and  
27. I've been told that we made it too complicated a little while ago.  
28. All you've got to say is the assessment must go up twice as high  
29. in Cook County to get the same benefit that you get in downstate,  
30. and that's...that's it. I have a couple of things that the Governor  
31. said about the bill when he signed it on August the 1st of 1978.  
32. A bill that gave the same fifteen hundred dollars, the Governor said  
33. this bill offers tax relief, because it provides a check on revenue

1. growth, it addresses the real issue, government spending. On  
2. page 2 the Governor thought it was such a good idea that he  
3. increased it from the thousand dollars in the Hynes Bill to  
4. fifteen hundred dollars, and stated the change will have three  
5. consequences, the benefits to taxpayers will be increased, the  
6. benefits will not depend on differing assessment practices  
7. among the counties. Rejecting the argument that's been made here,  
8. and those persons who have had their taxes increased in '79 because  
9. of multpliers will recieve the same exemption. The Governor  
10. contends that this bill will provide significant and automatic  
11. tax relief to most homeowners. It will put a break on local  
12. government spending at a time when there is serious concern about  
13. rising taxes and spending, and significantly he concludes by  
14. saying, and it will do so without creating a vast State bureaucracy  
15. and without increasing State taxes to refund a rebate program. I  
16. use this figure to tell you what you're doing for each taxpayer.  
17. In his press release to..the same day, the Governor states, using  
18. the State-wide average of seven dollars in taxes for each one  
19. hundred dollars of assessed valuation, a homeowner would realize  
20. a total savings of a hundred and five dollars in taxes he would  
21. not have to pay, if his assessed valuation grew by the full fifteen  
22. hundred dollars, during any period from the base year of 1977. With  
23. a three thousand dollar increase you're giving them two hundred  
24. and ten dollars, and that goes on every year, every year, every  
25. year, and at the end of the time, of whatever we want to end time,  
26. we have a significant increase. It took off a billion four already,  
27. I think that this is the kind of tax relief we're talking about  
28. to the homeowner who has seen his taxes go up and up and up. It  
29. says we're giving three thousand dollars off the equalized assessed  
30. valuation of your home, and I would move the adoption of Amendment  
31. No. 5 to Senate...House Bill 2563.

32. PRESIDING OFFICER: (SENATOR BRUCE)

33. Senator Bruce moves the adoption of Amendment No. 5 to House

1. Bill 2563. Those in favor say Aye. Those opposed No. The Ayes  
2. have it. Amendment No. 5 is adopted. There's been a roll call  
3. requested. All those in favor will vote Aye. Those opposed  
4. vote Nay. The voting is open. Have all voted who wish? Have all  
5. voted who wish? Take the record. On that question, the Ayes  
6. are 38, the Nays are 10. None Voting Present. Amendment No.  
7. 5 to House Bill 2563 is adopted. 3rd reading. Is there more  
8. amendments? For what purpose does Senator Wooten arise?

9. SENATOR WOOTEN:

10. Just...yes, I just briefly on a point of personal privilege.  
11. Four years ago I was pleased to introduce to you my opponent, in  
12. last years campaign. My opponent for this year is a close personal  
13. friend, Randy Thomas. I'd like the Senate to greet him for me.

14. PRESIDING OFFICER: (SENATOR SAVICKAS)

15. Is there further amendments?

16. SECRETARY:

17. Amendment No. 6 offered by Senator Martin.

18. PRESIDING OFFICER: (SENATOR SAVICKAS)

19. Senator Martin withdrew Amendment No. 6. Are there further  
20. amendments?

21. SECRETARY:

22. Amendment No. 6 offered by Senator Rupp and Geo-Karis.

23. PRESIDING OFFICER: (SENATOR SAVICKAS)

24. He withdraws the amendment. Are there further amendments?

25. SECRETARY:

26. Amendment No. 6 offered by Senator Berning.

27. PRESIDING OFFICER: (SENATOR SAVICKAS)

28. Senator Berning. Senator Berning withdraws his amendment.

29. SECRETARY:

30. Amendment No. 6 offered by Senator Nimrod.

31. PRESIDING OFFICER: (SENATOR SAVICKAS)

32. Senator Nimrod withdraws his amendment.

33. SECRETARY:

1. Amendment No. 6 offered by Senator Shapiro.

2. PRESIDING OFFICER: (SENATOR SAVICKAS)

3. Senator Shapiro. Senator Shapiro.

4. SENATOR SHAPIRO:

5. Well, Mr. President, and Ladies and Gentlemen of the Senate.

6. This amendment attempts to irradiate what we feel on this side  
7. of the aisle is a great injustice to the homeowners throughout the  
8. State. In view of the fact that the tax increases for homeowners  
9. throughout the State is so great this year, ranging anywhere from  
10. ten percent on up to forty, fifty, hundred, two hundred, three  
11. hundred percent in some areas, that we felt that a greater increase  
12. in the general Homestead Exemption would be more meaningful  
13. to those taxpayers so that it would significantly reduce their  
14. taxes. So, what the amendment does, is for '79 and subsequent  
15. years, increase the general Homestead Exemption as is in the bill  
16. now, the increase from fifteen hundred to forty-five hundred. In  
17. other words, it adds another fifteen hundred dollars, and it also  
18. clarifies in the case of land improved with an apartment building,  
19. having six or fewer units that the building has to be occupied  
20. by one or more of the owners as their principal dwelling place,  
21. and that, that assessed...that the Equalized Assessed Valuation  
22. on such property shall be...shall be subject to reduction by the  
23. amount of one Homestead Exemption as provided in this section. Now,  
24. I think Senator McMillan gave an excellent example of the Homestead  
25. Exemption of fifteen hundred dollars. This one, this amendment  
26. if enacted, in effect, would favor Cook County in this way, because  
27. of the disparity between the assessment rates of sixteen and a  
28. half percent and thirty-three and a third percent, equal homes,  
29. assessed at equal figures, an example used is a home in Cook County  
30. and in downstate Illinois that has a market value of sixty percent,  
31. In downstate the assessed...equalized assessed valuation would be  
32. twenty thousand, and that same house in Cook County would be valued  
33. at ninety-six hundred. Assuming that we have a twenty percent

1. increase in the taxes, in downstate that would mean four thousand  
2. dollars increase, and in Cook County it would only amount to nineteen  
3. hundred and twenty dollars. Now, this exemption which calls for a  
4. three thousand dollar increase in the Homestead Exemption, if you  
5. deduct the three thousand from the four thousand increase in the  
6. assessed valuation. In downstate Illinois it only cancels out  
7. three-fourths of the increase, and there would be nothing left over  
8. the following year, and if the taxes increased the same amount  
9. that assessed valuation would go up four thousand dollars, but in  
10. Cook County, because a twenty percent average increase amounts to  
11. only nineteen, twenty...nineteen hundred and twenty dollars, that's  
12. all that would be reduced and would leave over ten hundred and  
13. eighty dollars for use next year. So, the Cook County homeowner  
14. would benefit two years in a row, their taxes would not go up as  
15. greatly as they would downstate. That's the amendment in a nutshell,  
16. I would appreciate a favorable roll call.

17. PRESIDING OFFICER: (SENATOR SAVICKAS)

18. Miss Gail VanHorne of the Illinois Savings and Loan League,  
19. request permission to take some still photographs. Is permission  
20. granted? Leave is granted. Further discussion? Senator Schaffer.  
21. SENATOR SCHAFFER:

22. Well, I obviously rise in support of this amendment. Some  
23. of the objections I had to the amendment we just adopted were simply  
24. that it didn't begin to cover the dramatic assessment increases  
25. we've seen in my part of the State. Senator Bruce, I don't know  
26. what's going on down...on in your part of the State or in the  
27. City of Chicago, but I can tell you, that assessments have just run  
28. amuck in suburbia. We've seen assessed valuations increase fifteen,  
29. twenty percent a year, every year for the last few years. We've  
30. seen certain areas increase in one year, sixty percent. We need  
31. more than just the fifteen hundred dollars. It wasn't too many  
32. weeks ago the Governor was being taken to task very seriously  
33. about being a piker for only wanting to be...give the taxpayers a

1. penny's worth of relief. I hope that those people were so free  
2. with that criticism don't put themselves, if you will, a similar  
3. posture by opposing this amendment. If you're serious about  
4. tax relief, a large part of the State needs this amendment and  
5. needs it badly.

6. PRESIDING OFFICER: (SENATOR SAVICKAS)

7. Senator Geo-Karis.

8. SENATOR GEO-KARIS:

9. Mr. President, and Ladies and Gentlemen of the Senate. I think  
10. this is probably the most meaningful amendment of the last two that  
11. we...have come...because it not only provides the...the big cities  
12. some relief, the people of bit cities, but also for those of us who  
13. come from smaller counties. I think it's a very fair amendment,  
14. I think forty-five hundred dollars Homestead Exemption is far more  
15. realistic and certainly desired and needed, and I commend Senator  
16. Shapiro for having the foresight to provide for it, and also to  
17. provide for the Homestead...division in the apartment buildings  
18. having six or fewer units, where one unit is used for Homestead  
19. purposes and that unit would be subject to...given the benefit  
20. of it. I think it's a good amendment, I hope that we can all  
21. support it, because, at least, it has a little more meaning for tax  
22. relief than anything we've passed before.

23. PRESIDING OFFICER: (SENATOR SAVICKAS)

24. Senator Netsch.

25. SENATOR NETSCH:

26. A question of the sponsor, please?

27. PRESIDING OFFICER: (SENATOR SAVICKAS)

28. He indicates he will yield.

29. SENATOR NETSCH:

30. I am reading this language for the first time that has to do  
31. with the six or...six or fewer units in Cook County, and which  
32. relates to our classification scheme. Could I ask you this. As  
33. I read this amendment, we would have to know that is the assessing

1. officials would have to know whether, in fact, a three unit  
2. building or four unit building or whatever, was occupied by  
3. an owner. First question, is that information available on the  
4. records that the assessor now has as far as you know, and secondly  
5. what do you do about...sort of...I shouldn't say strange relation=  
6. ships, but let's say a four flat is owned by John Doe, and John  
7. Doe doesn't live there but his eighty-five year old mother lives  
8. there, or his sister lives there, or his daughter lives there, and  
9. so on, and so on, what...how are those things resolved by the  
10. assessor on the basis of computer information? Obviously my question,  
11. Senator Shapiro, is I...I think I happen to agree that...that this  
12. ought to be limited to owner occupied. My understanding is, that  
13. the reason why that was not done in Cook County is they just  
14. don't know, and the only way they could find out would be to do  
15. a survey of every piece of residential property that exists in the  
16. county, which in itself would cost a bloody fortune, and they would  
17. yes...they would have to do it on a recurring basis. So, I'm...  
18. I really...it's...it's...I'm making a speech, but I am also asking  
19. you a question, is there any information in the...the records of  
20. the Assessor's Office which would make it possible for that  
21. provision as you have written it to be complied with?

22. PRESIDING OFFICER: (SENATOR SAVICKAS)

23. Senator Shapiro.

24. SENATOR SHAPIRO:

25. Senator Netsch, to the best of the knowledge that has been  
26. imparted to me just within the last few seconds, as you were  
27. talking, there probably is not, but in downstate Illinois the  
28. assessor runs an add in the newspaper that the person fills out  
29. when they apply for the Homestead Exemption, they have to certify  
30. when they sign it, that it is owner occupied. When it comes to the  
31. point of if someone's mother lives in the unit or not, I think if  
32. the mother or the relative is not an owner of the unit that they  
33. would not qualify.

1. PRESIDING OFFICER: (SENATOR SAVICKAS)

2. Senator Netsch.

3. SENATOR NETSCH:

4. Well, I think I heard the answer to the question. I think  
5. the problem is, that maybe in downstate counties it is possible  
6. to do that, that is to send out the notices and if some-  
7. one doesn't respond to follow it up and to keep them up to date,  
8. and that sort of thing, but in Cook County you're talking about,  
9. I'm not sure what the figure is, but over a million and a half  
10. parcels of property, I believe, and people might get the notice  
11. they might not respond, it might change within six months. It...  
12. it...this is a very serious question. It's not just...I'm not just  
13. trying to poke holes in your amendment, although I'm happy to  
14. seize any opportunity to do that also, but it really is a serious  
15. question, because the...I...I have discussed this, I was concerned  
16. about this, frankly, and I raised some questions myself, and the  
17. answers that I was given, the answer was that at the moment absent  
18. an enormous expenditure, we haven't figured out how to do it.

19. PRESIDING OFFICER: (SENATOR SAVICKAS)

20. Senator Shapiro.

21. SENATOR SHAPIRO:

22. Senator Netsch, could I respond in this way. Since the  
23. tax notices arrive on a timely basis, couldn't the county clerk  
24. in Cook County just put the affidavit in with the tax notice, and  
25. ask them to sign it and return it, that the unit is owner occupied,  
26. and send it back and do it with the tax notice?

27. PRESIDING OFFICER: (SENATOR SAVICKAS)

28. Senator Netsch.

29. SENATOR NETSCH:

30. You...you mean with the tax bill, that's supposed to be paid  
31. within ten days after it's received? Then...then if the application  
32. is sent back in saying, hey, I'm an owner occupied, I'm entitled  
33. to an exemption, then how...they've...miscomputed the entire valuation

1. base for the tax levy.

2. PRESIDING OFFICER: (SENATOR SAVICKAS)

3. Senator Shapiro.

4. SENATOR SHAPIRO:

5. You're right that would create a problem if the exemption had  
6. been granted, and it was brought to my attention that it could be  
7. done when the notices go out on the assessment, which go out to  
8. each taxpayer.

9. SENATOR NETSCH:

10. I think that's only every four years, though. So, you know,  
11. you're still...this may sound like nit picking, but it's a very  
12. serious problem, and I think the idea that only owner occupied  
13. get the advantage is sound, and that was really what everyone I  
14. think sort of had in mind when Senator Hynes first proposed this,  
15. and then he got on the other side of it and found out that he didn't  
16. have any information that would enable him to do it that way, and  
17. I'm sorry, I...my guess is, that as your amendment is written right  
18. now, that part of it, it would in effect invalidate the entire  
19. exemption for residents of Cook County and thank you very much  
20. but no thanks, as a...as a Cook County taxpayer and representative.

21. PRESIDING OFFICER: (SENATOR SAVICKAS)

22. Could we have a little order back there, let's break up some  
23. of those caucuses. Let's have...take our seats. Senator Rock.

24. SENATOR ROCK:

25. Thank you, Mr. President. A question of the sponsor, if he'll  
26. yield?

27. PRESIDING OFFICER: (SENATOR SAVICKAS)

28. He will yield.

29. SENATOR ROCK:

30. Senator, there's some confusion over here, there were two  
31. amendments relating to this that were submitted with your name.  
32. This is the amendment that provides for a forty-five hundred dollar  
33. Homestead Exemption across the State. Is that correct? And it also

1. provides for the...a definition or six or fewer unit clarification  
2. in that it has to be owner occupied. Let me...let me suggest  
3. that, frankly, I don't really understand the necessity for this  
4. at this time for this reason. That you'll recall when we passed  
5. this bill originally there was some concern with respect to the  
6. assessment of property in Cook County. We have eight hundred and  
7. fifty thousand single family dwellings in the County of Cook, and  
8. over a million that are in class 2. Now, we do, in fact, classify and  
9. within the class you can't discriminate, and that's the reason  
10. that the assessor has seen fit, and I think rightfully so, to apply  
11. the exemption to everyone in that class, but to call for this kind  
12. of specificity it will require annually, this is an annual exemption,  
13. so it will require annually, a physical inspection by the assessor  
14. of Cook of over one million pieces of property, and I suggest to you,  
15. and I just suggested to the assessor on the telephone, it's simply  
16. impossible to do it. I...we're creating a monster here, and I don't  
17. think that's the intent. I know you do not intend in anyway to  
18. impair the rights of the Illinois citizens with respect to a rightful  
19. exemption. This I suggest will definitely impair that right, and  
20. I just...we...I would ask you to withdraw the amendment.

21. PRESIDING OFFICER: (SENATOR SAVICKAS)

22. Senator Carroll.

23. SENATOR CARROLL:

24. Thank you, Mr. President, and Ladies and Gentlemen of the Senate.  
25. I find it interesting also that the sponsor of the amendments  
26. suggestions and how it will operate seem to be as ill-conceived as  
27. the drafting of the amendment itself. Clearly we now know that there  
28. is no way physically possible that any assessor can, in fact, or  
29. clerk, in fact, place this into existence. There is no way currently  
30. that they will know which is owner occupied, the bills go out, you  
31. can't bring them back, you can't...I think Senator Shapiro has now  
32. agreed that it was a bad idea. I think the whole idea was a bad  
33. idea. As Senator Rock indicated, one you cannot discriminate  
against that class in Cook County, second, and I ask this of the

1. sponsor why are you trying to take away existing tax relief from  
2. the citizens of my district? We have a substantial number of three  
3. and six flats. This amendment denies them not only the three  
4. thousand we just put in in the last amendment, but the existing  
5. fifteen hundred if they, in fact, live in those buildings, because  
6. you now...saying if you can prove you're an owner, then that one  
7. flat, where now, the exemption extends to all of those buildings.  
8. You are, in fact, denying existing relief, taking it away from the  
9. citizens in my community as well as many others throughout the  
10. State, and you're basing it on a new math apparently developed  
11. by Professor McMillan, which, of course, if you look through the  
12. figures, just doesn't hold true. Everyone knows the theory of  
13. law, that property is unique, the same home is not the same value  
14. in all of the areas of this State, but where you define the same  
15. home and put it in different areas, and then find an assessment  
16. then you could compute out this new math formula. What he fails  
17. to recognize is, of course, the Department of Local Governmental  
18. Affairs or its successor whomever that may be, having placed an  
19. equalizer on all of these properties, and the mere shift of that  
20. equalized rate last year, caused about eighty to a hundred dollars  
21. of tax increase in Cook County to the average homeowner that was,  
22. in fact, exempted from that increase because of the fifteen hundred  
23. dollar Hynes Proposal of the year before. That mere shift in  
24. equalizer alone, without any reassessment was enough to cause  
25. each taxpayer to pay eighty to a hundred dollars more, if we did  
26. not exempt it under the fifteen hundred dollar Homestead. I think  
27. that clearly, Senator Shapiro, does not want to deny tax relief, does  
28. not want to, in fact, force people to pay more in taxes, which  
29. is what his amendment as it's now drafted will do, and I would think  
30. Senator Shapiro you would be well advised to reconsider that.

31. PRESIDING OFFICER: (SENATOR SAVICKAS)

32. Senator Keats. That wasn't a question, Senator. No, it wasn't  
33. a question. Senator Keats.

1. SENATOR KEATS:

2. Thank you, Mr. President, and Ladies and Gentlemen of the  
3. Senate. I've been sitting here quietly listening to most of this  
4. debate, most of it going in one ear and out the other cause it's just  
5. a bunch of political garbage, but you know after awhile you can  
6. only put up with so much of this. I am sitting here listening  
7. to the Democrats sitting there saying Tom Hynes is too dumb to figure  
8. out who lives in a building. Now, I know Tom Hynes you know  
9. him much better than I do, but I'm going to defend Tom Hynes You  
10. know I think he's smart enough that if we tell them that an owner  
11. occupied building is the only one that gets this writeoff, that  
12. Tom Hynes with about ten thousand Chicago Democrat Precinct Captain  
13. Patronage workers working for him, can figure out some way to find  
14. out whether they live there, and I'll tell you what it will be. You  
15. send out an affidavit we've got a million lawyers on that side  
16. of the aisle, and three or four good ones on this side, who can  
17. tell you that if someone signs that affidavit that says they live  
18. there, and they don't sign the affidavit they don't live there.  
19. You know it doesn't take a lawyer to figure that out, what we're  
20. seeing today is an example of the Democrat party, you don't want tax  
21. relief. Now, if you're opposed to the silly amendment, say so,  
22. don't come up with this legal mumbo jumbo garbage, when any logical  
23. person who works at a honest job other than being a lawyer, can  
24. read the amendment, and understand what's in it. If you are opposed  
25. to tax limitations, say so, and if you're opposed to real tax cuts,  
26. say so. Cut out all this garbage and absurd rhetoric where you're  
27. trying to say that this or that doesn't work. You know we've read  
28. the same amendment, and those of us who actually have worked in this  
29. area do understand that it is possible to understand who...find out  
30. who lives there by having them sign an affidavit. If they want the  
31. tax break that we're offering, you know, they'll sign the affidavit,  
32. and they'll send it back in so they get the tax break, and if they  
33. know that they don't live there, and shouldn't be claiming it, then  
they'll be careful not to sign the affidavit, or we'll have Bernie

1. Carey in Cook County sending them to jail. You know we've got  
2. ways to do that. There's someone else who might like to send them  
3. to jail, but I don't know if they will be at the time. Okay, so  
4. what we're saying is, this is just mumbo jumbo, you can figure  
5. it out, there are such things as affidavit and only a Chicago  
6. Democrat lawyer wouldn't understand. Believe me someone's daughter,  
7. someone's eighty-five year old mother does not happen to be the  
8. same as the person who owns and pays for the building, and as  
9. far as this taking away legitimate tax relief it is not doing  
10. that. I suggest you...reread you'll realize that what it says  
11. if you live there and you own it, you get forty-five hundred bucks,  
12. if you don't live there and you own it you get three thousand. So,  
13. cut out the mumbo jumbo, if you are opposed to it, stand up like  
14. a regular decent individual and say I'm opposed to a real tax  
15. cut, and if you are in favor of tax cuts, sit down and be quite  
16. and vote on it so we can get this over to the House.

17. PRESIDING OFFICER: (SENATOR SAVICKAS)

18. Senator Egan.

19. SENATOR EGAN:

20. Thank you, Mr. President, and members of the Senate. Senator  
21. Keats, I'm going to give it to you straight. My mother lives  
22. in a five flat and the owner doesn't live in the building, you're  
23. going to deny her some tax relief that will cause her...rent to  
24. be raised because in the last quadrennial the owner raised the rent  
25. based on the fact that the quadrennial assessment raised the tax  
26. that was his excuse. Now, Senator Keats you don't want to hurt my  
27. mother, do you? That's why I'm against the amendment.

28. PRESIDING OFFICER: (SENATOR SAVICKAS)

29. I understand Senator Egan is the landlord there. Senator  
30. McMillan.

31. SENATOR MCMILLAN:

32. Mr. President, and members. I'm getting as tired of commenting  
33. on this legislation as...as anybody. I would say the crux

1. of the problem is, the way Senator Egan would have it is, that  
2. his mother would be entitled to this kind of relief, and if his...  
3. if his mother happened to be so misfortunate as to be downstate she  
4. would not, that's the crux of the problem. I want to correct  
5. Senator Keats, and indicate that there are seven good lawyers on  
6. this side. I don't know who you meant to exclude when you said there  
7. were only three good ones, but we have seven. To respond to Senator  
8. Carroll's point, that property is special, the problem is what  
9. you've really contended is, property is special in Cook County, and  
10. that's really what we...we object to. I think Senator Shapiro's  
11. amendment brings some equity back to the bill, but it still does  
12. not correct the inequity that would be leveled downstate on the  
13. difference in the level of assessed valuation. It still does not  
14. provide meaningful tax relief, and I do oppose it even though I  
15. think it would begin to bring about somewhat a parity of the way  
16. Chicago has to deal with its problems compared to downstate. Chicago  
17. may be a big City, but it isn't any harder in a big city for the  
18. assessment machinery to find out who lives where than it is downstate  
19. after all they can apply their tax levy against the assessed  
20. valuation and raise a huge monument of money, downstate it's a  
21. problem cause we don't have that many taxpayers to rip-off to  
22. put our assessor in business as you do up there.

23. PRESIDING OFFICER: (SENATOR SAVICKAS)

24. Senator Nimrod.

25. SENATOR NIMROD:

26. Thank you, Mr. President. I would like to call attention  
27. to Senator Egan, and some of the others that might be involved  
28. here that there are two ways, of course, that we already require  
29. people to identify. Senator Netsch, I think if you will remember  
30. that the Homestead Exemption, we require those who are sixty-five  
31. or older to actually submit a form and confirm that they are the  
32. owners of that particular home, and that they, in fact, reside there.  
33. That's required of them, it seems to me there would be nothing to

1. require anyone else to do the same. Secondly, in Cook County  
2. we do have a split tax bill and the first part of that tax bill  
3. comes without any reference at all to acknowledge what the bill is  
4. going to be, and you could, in fact, include a notice in that  
5. first payment, and could be returned in time to make the difference  
6. of determining whether or not there's an evaluation. So, the  
7. hoax about being costs...or being involved here excessively  
8. or determining it, is not there and Senator Bruce, I think pretty  
9. clearly stated that this is up to the assessor to determine the  
10. means and the method within the bill to determine that evaluation,  
11. and I have enough confidence that with the things that I have just  
12. mentioned now, and the things that are available to him certainly  
13. he would be able to find some way of not arousing...having any  
14. cost added to the bills of collecting, and the verification would  
15. certainly depend on the individual, so I think this is a good  
16. amendment, and I do think there are provisions for addressing  
17. it.

18. PRESIDING OFFICER: (SENATOR SAVICKAS)

19. Senator Mitchler.

20. SENATOR MITCHLER:

21. Thank you, Mr. President, and members of the Senate. I'd  
22. like to at this time, take the opportunity to introduce a former  
23. State Representative from the forty-fifth legislative district  
24. back then when it...1957 to 1962, it was Kane County only, and  
25. that State Representative left in 1962 as a candidate for Congress  
26. but didn't quite make it there, but decided to come back and  
27. grace the halls of the House of Representatives in Springfield  
28. once again, replacing Representative Kempiners who was elevated  
29. to the Acting Director of the Department of Public Health. I'd  
30. like to introduce you to Representative Robert F. Casey of Batavia,  
31. Illinois of the 39th legislative district.

32. PRESIDING OFFICER: (SENATOR SAVICKAS)

33. Is there further discussion on the amendment? Senator Rock.

1. SENATOR ROCK:

2. Thank you, Mr. President, and Ladies and Gentlemen of  
3. the Senate. I just simply think that we ought to at this  
4. point, at least, reject Amendment No. 6. The administrative  
5. difficulty that was confronting the County of Cook, caused  
6. the assessor to apply this exemption across the class, called  
7. Class 2 property in Cook County by ordinance. To suggest that  
8. something other than that has to be done on an annual basis,  
9. I simply don't think that people...realize the...the mammoth  
10. undertaking that this would cause not only the Cook County  
11. assessor but I suggest in every large municipality across the  
12. State, Rockford, Peoria, they'd all have problems with this  
13. because it would require essentially an annual inspection to  
14. determine whether or not the owner is actually living in the  
15. building. It's a policy judgment that was made by the assessor  
16. and by the Cook County Board. It...it deprives the county  
17. itself of money it might otherwise received and to foist this  
18. administrative difficulty on...on the assessors across the  
19. State just seems to me at this point to be unwarranted. I would  
20. urge opposition to Amendment No. 6.

21. PRESIDING OFFICER: (SENATOR SAVICKAS)

22. Is there further discussion? Senator Netsch. Senator Shapiro  
23. may close the debate.

24. SENATOR SHAPIRO:

25. Well, Mr. President, and Ladies and Gentlemen of the Senate.  
26. What this amendment merely does is increase the general Homestead  
27. Exemption and grants to downstate Illinois the same illegal  
28. procedures that are going on in the County of Cook, and I would like  
29. to point out to the rhetorical question that was raised that I was  
30. attempting to take away something from homeowners...owners in  
31. Cook County that own property in which they do not occupy, that  
32. the present law says that the annual Homestead Exemption limited  
33. is, excuse me, oh yes, I'm sorry, I was reading the wrong place. Homestead

1. property shall include residential property that is occupied  
2. by the owner or owners thereof, as his or their principal  
3. dwelling place. That's the law now, and it is not being followed  
4. in the County of Cook, and to those who have raised the question  
5. about the impossible administrative procedures, let me point out  
6. to you what the existing law states in spite of this amendment.  
7. In lieu of procedures for exemptions required elsewhere in this  
8. act the assessor, county assessor, so on and so forth, may determine  
9. the eligibility of residential property to receive the Homestead  
10. Exemption provided by this section, by application, visual inspection,  
11. questionnaire, or other reasonable methods. I see nothing wrong  
12. with it. I would urge adoption of the amendment.

13. PRESIDING OFFICER: (SENATOR SAVICKAS)

14. Senator Shapiro moves the adoption of Amendment No. 6 to  
15. House Bill 2563. All those in favor say Aye. All those opposed  
16. say Nay. Senator. All those in favor will vote Aye. All those  
17. opposed will vote Nay. The voting is open. Have all voted who  
18. wish? Have all voted who wish? Take the record. On that  
19. question, the Ayes are 24, the Nays are 26. None Voting Present.  
20. Amendment No. 6, having failed to receive the majority is declared  
21. failed. Are there further amendments?

22. SECRETARY:

23. Amendment No. 7 offered by Senator Bloom.

24. PRESIDING OFFICER: (SENATOR SAVICKAS)

25. Senator Bloom.

26. SENATOR BLOOM:

27. Thank you, Mr. President, and fellow Senators. This is a  
28. very simple amendment. It changes the word may to shall, and it  
29. says, that if...if a taxing district determines that a surplus  
30. of funds is available as a result of the alleged corporate  
31. replacement tax that passed last...Summer, it shall adopt a  
32. resolution or ordinance reducing the levy. I think we ought to  
33. mean what we say and say what we mean, and in the debates last  
Summer...in the debates last Summer, this was one of the promises,

1. that you folks made, of course, when this comes in and, of course,  
2. there might be an overtaxation, and, of course, these local taxing  
3. districts would abate. I'd appreciate a favorable roll call.

4. PRESIDING OFFICER: (SENATOR SAVICKAS)

5. Is there further discussion? Senator Bruce.

6. SENATOR BRUCE:

7. Thank you, Mr...thank you, Mr. President, and members of the  
8. Senate. I think that everyone would like to have a mandatory  
9. abatement of taxes, and I have stated that last Fall when  
10. we talked about the Corporate Personal Property Tax, and the  
11. amount of money any taxing district might get from that, and whether  
12. it ought to be treated as windfall or not. I am persuaded  
13. in conversations with the Department of Revenue, and others that  
14. there is no way, including in both our drafts, Speaker Redmond's draft,  
15. other people, that there is anyway that you can amend or change  
16. and make an abatement automatic in every district. There...the  
17. problem that you find, Senator Bloom, is going to be the same one  
18. that you have with the Governor's Proposal of a tax ceiling, is  
19. that there are responsible taxing units and irresponsible taxing  
20. units, and what you're going to do is harm those who have been the  
21. most responsible by making them abate taxes. Let me give you one  
22. example of why this won't work in some cases, and you are actually  
23. adding to the burden of taxpayers in the district. In one of my  
24. school...no Senator, it's true, you'll be surprised to find that  
25. by abating taxes sometimes you can actually cost them more money.  
26. I have one school district that is presently on tax anticipation  
27. notes, they did not abate their taxes at all this year, and took  
28. the additional Corporate Personal Property Tax they received and  
29. are going to go on a cash basis, with no tans. That means they  
30. can save the taxpayers the twelve percent they have been paying  
31. to banks, and also put that money in the bank and get about twelve  
32. percent. They went with the school board, they said look, we are  
33. not going to abate taxes, this is what we are going to do. We're  
going to put the money in the bank, get on a current baiss, and we

1. make a commitment to you as a...as a school board that we will  
2. not include...increase your tax rates for three years, and the  
3. people in the district bought it, they're realizing twenty-  
4. four percent more money, it's nothing out of their pocket, they  
5. stay at the same rate, they just take the Corporate Personal  
6. Property Tax money and get them on a cash basis. There are other  
7. taxing districts that have already abated taxes, and will find  
8. themselves in serious difficulty if you start fooling around with  
9. making them abate the Corporate Personal Property Tax. I'm just  
10. saying it is a very good idea to be mandatory, the problem is when  
11. you have six thousand four hundred taxing districts, it just not...  
12. it cannot be applied to all of them uniformly. Some of them are  
13. going to be harmed that have been very responsible, those that  
14. have been irresponsible already have money in the bank, they've  
15. taken from the taxpayers, they're not going to be harmed at all.

16. PRESIDING OFFICER: (SENATOR SAVICKAS)

17. Is there further discussion? Senator Rock.

18. SENATOR ROCK:

19. Thank you, Mr. President, and Ladies and Gentlemen of the  
20. Senate. I, too, rise reluctantly in opposition to Amendment No. 7.  
21. This was a subject of some long negotiation and, frankly, it  
22. was pretty well agreed among the negotiators, both the technical  
23. people from the Department of Revenue, and Local Government Affairs,  
24. or what was formally Local Government Affairs, staff of both houses,  
25. both sides of the aisle, that we really should not be mandating,  
26. that there are some districts who currently do not have the  
27. authority to abate and so we will suggest and provide them with  
28. the authority to...to abate, but we really can't mandate because  
29. there's no...one, there's no sanction and two there's no way  
30. to monitor it. We are affording what I think responsible local  
31. officials in the various districts, the authority to abate. I  
32. think that's all we can do, I think that's all we should do. For  
33. your information the County of Cook has already drawn the ordinance  
to abate, and it will shortly be filed. I...I just think that to

1. try to mandate better than six thousand taxing districts  
2. across this State, I don't think the Department of Revenue  
3. would favor this, and I urge opposition to it.

4. PRESIDING OFFICER: (SENATOR SAVICKAS)

5. Is there further discussion? Senator Shapiro.

6. SENATOR SHAPIRO:

7. Well, Mr. President, and Ladies and Gentlemen of the Senate.  
8. I think the argument for this amendment is very simple. If we  
9. can give them to abate...the authority to abate on a permissive  
10. basis, in other words, say that they can abate if they choose  
11. to, and so that means to me that there must be a way that they  
12. can abate, we ought to make it mandatory, because there is a  
13. way or otherwise we would not make the provision permissive as it  
14. is in the bill before us. I think the amendment is a good one and  
15. should be adopted.

16. PRESIDING OFFICER: (SENATOR SAVICKAS)

17. Is there further discussion? If not, Senator Bloom may close  
18. debate.

19. SENATOR BLOOM:

20. Thank you, Mr. President. In terms of monitoring I...one  
21. assumes that your citizen watch dogs will be monitoring their  
22. units of local government, that the situation described by Senator  
23. Bruce in his district, that sounds like a sweet deal, it sounds  
24. great, it reminds me of what I overheard Representative DiPrima  
25. saying over in the House, saying don't worry it won't cost you  
26. anything the government will pay for it. The point is...the point  
27. is what is the language in the rest of this amendment here for,  
28. if you follow the arguments in opposition. The language says that  
29. upon determining, if they determine that there's a surplus they  
30. may abate. All this amendment says is if they determine that  
31. there's a surplus you shall abate, it's as simple as that, and I...  
32. I have seen no argument advanced on the other side, and what we  
33. all...let us mean what we say, and as we truly profess concern,  
so let's limit the ability of government to put its hand in the

1. taxpayers' pocket. I'd urge a favorable roll call. Thank you,  
2. very much.

3. PRESIDING OFFICER: (SENATOR SAVICKAS)

4. Senator Bloom moves the adoption of Amendment No. 7, to House  
5. Bill 2563. All those in favor vote Aye. Those opposed vote  
6. Nay. The voting is open. Have all voted who wish? Have all  
7. voted who wish? Have all voted who wish? Take the record.  
8. On that question, the Ayes are 26, the Nays are 23. None  
9. Voting Present. Amendment No. 7 to House Bill 2563 is adopted.  
10. Are there further amendments?

11. SECRETARY:

12. Amendment No. 8 offered by Senator Gitz.

13. PRESIDING OFFICER: (SENATOR SAVICKAS)

14. Senator Gitz.

15. SENATOR GITZ:

16. This will be withdrawn, this is going to be addressed as  
17. a separate issue in a separate bill that will be introduced in  
18. March.

19. PRESIDING OFFICER: (SENATOR SAVICKAS)

20. Senator Gitz withdraws Amendment No. 8. Are there further  
21. amendments?

22. SECRETARY:

23. No further amendments.

24. PRESIDING OFFICER: (SENATOR SAVICKAS)

25. 3rd reading. Resolutions.

26. SECRETARY:

27. Senate Resolution 360, offered by Senator Martin, it's con-  
28. gratulatory.

29. Senate Resolution 361, offered by Senators Maragos, Rock,  
30. Nash, and others, it's congratulatory.

31. Senate Resolution 362, offered by Senators Rock, Nash, Nega,  
32. and all members, it's congratulatory.

33. Senate Resolution 363, offered by Senators Rock, Nedza, Nash,  
and all Senators, and it's congratulatory.

452563  
Rec'd  
1-23-80

1. PRESIDENT:

2. Consent Calendar.

3. PRESIDING OFFICER: (SENATOR BRUCE)

4. Messages from the House.

5. SECRETARY:

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

7. Mr. President - I am directed to inform the Senate, the  
8. House of Representatives has adopted the following Joint Resolution  
9. in the adoption of which I am instructed to ask concurrence of the  
10. Senate, to-wit:

11. House Joint Resolution 76, it's a congratulatory resolution,  
12. Senator Rock is going to handle that.

13. PRESIDING OFFICER: (SENATOR BRUCE)

14. Resolutions Consent Calendar. Introduction of bills.

15. SECRETARY:

16. Senate Bill 1502, introduced by Senators Geo-Karis, Shapiro, and  
17. Jeremiah Joyce.

18. ( Secretary reads title of bill )

19. Senate Bill 1503, introduced by Senator DeAngelis.

20. ( Secretary reads title of bill )

21. Senate Bill 1504, introduced by Senators Bowers, Egan, DeAngelis,  
22. and Bloom.

23. ( Secretary reads title of bill )

24. Senate Bill 1505, introduced by Senator Maitland.

25. ( Secretary reads title of bill )

26. 1st reading of the bill...of the bills.

27. PRESIDING OFFICER: (SENATOR BRUCE)

28. Rules Committee.

29. PRESIDENT:

30. On the Order of House Bills 3rd reading, House Bill 2563.  
31. Senator Egan seeks leave of the Body to return the bill to the Order  
32. of 2nd reading for the purpose of Tabling amendments. Is leave  
33. granted? Leave is granted. Mr. Secretary, Amendment No. 2.  
Senator Egan.

1. SENATOR EGAN:

2. Thank you, Mr. President, and members of the Senate. We  
3. had not removed these amendments from the original bill, the  
4. amendment that we adopted today strikes everything in the original  
5. bill, and puts this bill in final shape. These two amendments  
6. were never removed from the original bill, they have nothing  
7. to do with the substance of the bill as it now stands, and I move  
8. that...to Table Amendments No. 2 and 3.

9. PRESIDENT:

10. All right, Senator Egan's moved to reconsider the vote by  
11. which Amendments No. 2 and No. 3 were adopted. All in favor  
12. signify by saying Aye. All opposed. The Ayes have it. The  
13. vote on Amendments 2 and 3 is reconsidered. Senator Egan now  
14. moves to Table Amendment 2. All in favor signify by saying Aye.  
15. All opposed. The Ayes have it, the amendment's Tabled. Senator  
16. Egan now moves to Table Amendment No. 3. All in favor signify  
17. by saying Aye. All opposed. The Ayes have it. So ordered.  
18. Yes, state your point; Senator.

19. SENATOR GEO-KARIS:

20. Mr. President, is Amendment 1 then the bill, if I understand  
21. it correctly?

22. PRESIDENT:

23. No.

24. SENATOR GEO-KARIS:

25. Is it Amendment 5, that's the bill then?

26. PRESIDENT:

27. Amendment 5 is the bill, yes.

28. SENATOR GEO-KARIS:

29. To 2563? Thank you.

30. PRESIDENT:

31. Correct. Senator Schaffer.

32. SENATOR SCHAFFER:

33. Excuse me, while we're standing at leave, I'd ask to be added  
as a co-sponsor to Senate Bill 1473.



*HB 2563  
3rd reading  
1-23-80*

1. PRESIDENT:

2. All right. Amendments 2 and 3 having been Tabled,  
3. 3rd reading. All right. On the Order of House Bills 3rd  
4. reading, House Bill 2563. Read the bill, Mr. Secretary.

5. SECRETARY:

6. House Bill 2563.  
7. (Secretary reads title of bill)

8. 3rd reading of the bill.

9. PRESIDENT:

10. Senator Egan.

11. SENATOR EGAN:

12. Yes, thank you, Mr. President and members of the Senate.  
13. Being not sesquipedalian or pedantic or being loquacious, I'm  
14. going to cut it short by saying that the time is right and I  
15. suggest the bill to your favorable consideration. Thank you.

16. PRESIDENT:

17. Further discussion? Senator Geo-Karis.

18. SENATOR GEO-KARIS:

19. Mr. President and Ladies and Gentlemen of the Senate.  
20. This is a case where it's a terrible bill, but it's better than  
21. nothing and I am going to vote for it.

22. PRESIDENT:

23. Further discussion? Senator Schaffer.

24. SENATOR SCHAFFER:

25. Well, this Legislature is really getting a reputation of  
26. being penny-ante when it comes to tax relief. We had the  
27. Sales Tax thing and this is the Property Tax...equivalent of  
28. the one cent Sales Tax. It's just penny-ante. I'm going to  
29. vote for it too, because I think the average taxpayer is going  
30. to get just about enough money to buy a used shotgun and go  
31. looking for the people that are doing it to him.

32. PRESIDENT:

33. Further discussion? Senator DeAngelis.

1. SENATOR DeANGELIS:

2. Thank you, Mr. President. Last November, with the political  
3. philosophical naiveness of a new-comer, I voted for a one cent  
4. reduction in the Sales Tax on food and drugs, thinking it was,  
5. in fact, tax relief. As it was, the cost of implementation of  
6. that form or tax relief far exceeded the tax relief itself and  
7. we perpetrated a political hoax on the people of Illinois and  
8. only one member of this august Body had enough foresight to  
9. see what that hoax was. Today we are asked to participate in  
10. another political hoax. There is only one group who will  
11. benefit from this bill and that is those paying taxes to a  
12. unit of local government that is at maximum rate whose assessed  
13. valuation has not exceeded fifteen hundred dollars. Well, I  
14. can tell you right now that in the Tenth District that represents  
15. absolutely no one and in the hundred and two counties in Illinois  
16. it represents no one in ninety-seven of those counties. Someone  
17. just said this is doing something is better than doing nothing.  
18. Well, I would submit to you, as a rational man, I would  
19. buy that theory except that we can do something and that is  
20. don't pass this bill and let's come up with a bill that, in  
21. fact, offers the people of the State of Illinois what they,  
22. in fact, sent us down here for. Thank you.

23. PRESIDENT:

24. Further discussion? Senator Mitchler.

25. SENATOR MITCHLER:

26. Mr. President and members of the Senate, since we've got  
27. all the amendments on this bill and it's right at the passage  
28. stage, in the interim, we had a little recess...I had a number  
29. of the House members ask me and several of the Senators were  
30. discussing back and forth exactly what the bill does and how  
31. it affects and trying to throw together and I didn't know how  
32. to do it and I went to my file and I had a little note there  
33. that comes in handy sometimes and maybe this is how you'd

1. explain it to your House members when the ask you what happened  
2. over here. Tell them we don't know what we did. We won't say  
3. what we did. Why? Because we cannot do what we did. It cannot  
4. be done. If it could be done, it would not be wise to do it.  
5. If it were wise to do it, it is not the proper way to do it.  
6. Thank you.

7. PRESIDENT:

8. Further discussion? Senator McMillan.

9. SENATOR McMILLAN:

10. Mr. President and members of the Senate, I'll...I'll  
11. try to be as brief as I can. I heard some reference a little  
12. bit ago to the arguments we have made on this side of the  
13. aisle that it's a bill that's unfair to downstate in comparison  
14. with Chicago. I would merely say, contrary to the comments,  
15. there ain't no new math involved. It's pretty clear. Look  
16. at the figures that's there. We don't argue with the fact  
17. that the relief is available downstate. What we argue with  
18. the fact is that we get taxed twice as much. That's not fair  
19. and that's what we object to. I oppose this bill primarily  
20. because it is not tax limitation. It is not needed tax relief.  
21. The taxpayer got taken again. There are going to be some  
22. mighty big tax increases this summer and fall. They are going  
23. to come. Assessments went way up and contrary to provisions  
24. in this bill which allow for abatement or require abatement, if  
25. there is a surplus which really doesn't do much and which we  
26. are not that concerned about. An awful lot of those districts,  
27. and I'm sure there are a lot of districts that did a good job,  
28. and an awful lot of those districts went ahead and levied huge  
29. amounts, they're going to get additional money from the Corporate  
30. Personal Property Tax Replacement, they went ahead and kept the  
31. levy high and there are going to be some mighty big tax bills  
32. coming out and when those tax bills come, when the people who  
33. get them feel the pain or for those that got double increases

1. because they are also going to get a shift to take care of  
2. the exemption in this particular bill, I would just say don't  
3. blame the assessor. That poor soul is doing his job, trying  
4. to assess property fairly and at the right level. Don't blame  
5. the Department of Revenue which brings you a multiplier. Don't  
6. blame the Republicans on this side of the aisle. Not one of  
7. them voted against the tax limitation package that we had  
8. earlier today, but instead, the pressure should be applied  
9. at those maybe relatively few local government officials that  
10. haven't been prudent and haven't been responsible and I think  
11. you can blame it on the architects of this particular bill  
12. and those who defeated tax limitation. That's where the blame  
13. should lie. There was a stage play that a lot of us saw a  
14. lot of times back in the bicentennial year and several years  
15. before it. It's called "1776". There's a little provision  
16. in there where they are standing around and they are talking  
17. and they are arguing and they are bickering and they are  
18. trying to write the Declaration of Independence and the problem  
19. is a few of them are afraid they are going to offend the King  
20. because they are declaring independence and at one point, some-  
21. body stood up and said, "Damn it, this is a revolution. We've  
22. got to offend somebody." Yesterday we had representatives of  
23. local units of government down here saying they were offended.  
24. Well, I'm here to say, you may want to ignore what the taxpayers  
25. say, but the taxpayer has had it up to his ears and the tax-  
26. payer is tired of governments spending more and therefore, taking  
27. more than it needs or the people want to give them. It's time  
28. we had the guts to offend somebody other than the taxpayer.  
29. It's time for us to provide some meaningful relief. I had a  
30. call yesterday from a local unit of government. One of my  
31. campaign workers is president of a school board. He said to  
32. me that the school was really going to be in a bind. They need-  
33. ed an increase of 16.3 percent or 14.3 or whatever because they

1. were really in a problem and they thought our bill would hurt  
2. them and I said, "you're really...tell me why you need more  
3. increase in funds than incomes increasing." He said, "Well, the  
4. people in our district are clamoring for all these programs,"  
5. and I said, "Well, if that's the case, the people in your  
6. district will be very willing to vote for the referendum that  
7. we have provided to allow for an increase in taxes," and as  
8. usual, there was a very dull, dead silence on the other end  
9. because they don't want to give the people a chance to vote.  
10. I'm afraid a bill that some of us are a little scared of is  
11. going to come. The Totten Proposition is going to be coming  
12. and I, for one, am going to support it. It doesn't do anything  
13. except say that the people are finally going to have a chance  
14. to vote on putting some real rigid limits on the ability of  
15. local government to tax and I would merely say, when that  
16. comes up, yeah, maybe you can kill that too, because you have  
17. got the votes to do it, but if that one ever gets out to the  
18. taxpayer, the taxpayer is going to speak and he's going to  
19. say he's been offended long enough.

20. PRESIDENT:

21. Further discussion? Senator Buzbee.

22. SENATOR BUZBEE:

23. Thank you, Mr. President. I have been gone the last day  
24. and a half due to illness in the family and came in just in time  
25. to cast a vote which I had called for last week in a public state-  
26. ment, saying that I favored mandatory abatement. At that same  
27. time when I made that statement, I also said that it seemed to  
28. me that any kind of...what we do with Property Tax this year is  
29. not going to be particularly significant, although I did also  
30. at the same time, say that I favored increasing the Homestead  
31. Exemption. Unbeknownst to me, when I made that statement, there  
32. were some forces at work trying to write such an amendment and,  
33. in fact, we have it in front of us now. The fact of the matter

1. is there's has been a lot of press comment in the last several  
2. days and rightfully so, I think, concerning about...instead of  
3. Band-aid approaches that it's time that the General Assembly  
4. start talking about a rewrite, a complete rewrite of the  
5. financing structure of local governments in this State. I  
6. have called for such a rewrite a long time ago. I think, as  
7. a matter of fact, as early as 1972, when I first ran for the  
8. Senate and what that rewrite that I have called for consists  
9. of is eliminate the financing of schools from the Property  
10. Tax. Now, there have been some politicians in this State  
11. who have gone down the tubes, of course, my present Congress-  
12. man being one of those, having been defeated in the Gubern-  
13. atorial race in 1972, because he advocated exactly that same  
14. thing. When he said I want to eliminate the funding of  
15. schools from Property Tax and put that funding burden onto  
16. the State Income Tax. Unfortunately, the press at that time  
17. picked up the headline that Paul Simon advocates increasing  
18. the Income Tax without bothering to say except in some cases...  
19. in one case, anyhow, a press report that I read in the thirteenth  
20. paragraph. They said he said he would only do this after he  
21. had eliminated the funding of schools from...from Property  
22. Taxes and therefore, in most of our districts, lower our  
23. Property Taxes by some seventy percent. I think the time has  
24. come...I don't mean today, but this year that we start address-  
25. ing such a subject as that. I entered a bill last spring in  
26. this General Assembly. It now resides in Senator Berman's com-  
27. mittee and he has agreed to hold hearings on it on the idea of  
28. perhaps eliminating completely from Property Taxes the financing  
29. of schools which would mean an immediate reduction of seventy  
30. percent in our Property Taxes. It would also mean an increase  
31. in Income Taxes, the State Income Tax, no question about it.  
32. I think the time has come forus to bite the bullet. However, in the interim,  
33. it is obviously too late for any tax bills that are coming out

1. this year. So, in the interim, I think that what we have  
2. before us is a...is a good Band-aid approach and then by next  
3. year, if we really wanted to, we could rewrite the taxing  
4. structure of...of Real Estate Taxes by eliminating seventy  
5. percent of those taxes for the financing of schools. I  
6. intend to talk to Senator Berman and ask for hearings on that  
7. bill and let's see where the ball...let's see who wants to  
8. bite the bullet at that time. In the meantime, I'm going  
9. to vote for this Band-aid.

10. PRESIDENT:

11. Further discussion? Senator Grotberg.

12. SENATOR GROTEBERG:

13. Thank you, Mr. President and fellow Senators. Somebody  
14. walked by my desk and...asked me if I were going to make a  
15. comment on this being the last game in town and the only  
16. chance to vote and, of course, it is. We find ourself in the  
17. same spot we were several weeks ago, where there was some good  
18. debate about some very worthwhile things. You know, we darn  
19. near got tax relief out of this dialogue in the last couple  
20. days. We almost got reduction in assessments. We almost got  
21. everything we talked about and the facts are, we got nothing.  
22. We are going to get increased taxes, just like we did for that  
23. penny reduction on the groceries. Every grocery store's costs  
24. have gone up and their prices have gone up. The cost of this  
25. bill won't change the cost of local government at all. Sitting  
26. where I do, in the Spokesman of...the Minority Spokesman for  
27. local government in the State of Illinois, I have always prided  
28. myself on local government being the strongest and closest to  
29. the people. I was ready to defend them, but on the basis of  
30. what the people want, I was prepared to vote and did vote and  
31. support Dr. Shapiro's amendment and Mr. McMillan's amendment  
32. and I suggest to you that we have made a mistake, Ladies and  
33. Gentlemen of the Senate, by not putting some kind of a lid on

1. that portion of government that we can control and asking the  
2. people to put a noose around our necks which is coming up in  
3. some form of the Totten Amendment and Proposition 13, sure as  
4. God made green apples. The same thing we are talking about  
5. will wind up in the Constitution in granite where it takes five  
6. years to change it. We have been down here every month for  
7. eighteen months. We could change anything we want to next  
8. month. You can put some pretty stiff stuff in the Statutes  
9. and fix it up later, but Heaven help us all when it all hits  
10. the Constitution and I'm going to start supporting that stronger  
11. than ever and probably wind up supporting this piecemeal approach  
12. and explaining to my voters once again why sometimes when the  
13. final vote on 3rd reading comes in the Senate of Illinois, you  
14. are caught between the rock and a hard place and nobody gets  
15. help. Thank you.

16. PRESIDENT:

17. Further discussion. Senator Wooten.

18. SENATOR WOOTEN:

19. Thank you, Mr. President. We have been involved in trying  
20. to salvage something real out of a press campaign these last  
21. few days. If you recall, and I think many of us commented on  
22. it when we talked about the Chicago school bailout, the Governor  
23. linked that with tax limitation in his address, knowing full  
24. well the press, particularly downstate, would talk about tax  
25. limitation and forego discussion of the Chicago problem, but  
26. then, his enthusiasm got the better of him and we are faced  
27. with the problem of having to do something real. I'd like to  
28. respond in a way to a couple of previous speakers. Senator  
29. Grotberg, I really don't think there was a question of tax  
30. relief at all in this Session. We talked about tax limitation  
31. and if you have heard some of the testimony that we faced in  
32. the Executive Committee, talking about Representative Totten's  
33. bill, wherever tax limitations have been applied, they have

1. resulted in higher taxes, assured steady rise of taxes. Now,  
2. I sometimes feel I'm more conservative than some of my colleagues  
3. across the aisle because people define conservative a lot of  
4. ways. Some say conservative means my money stays in my pocket,  
5. regardless. I rather think that I'm conservative in the sense  
6. that I believe that the government closest to the people ought  
7. to be responsive to them and I just have a dislike and distaste  
8. for putting shackles or limits of any kind on local government.  
9. It's fairly easy for people to take care of that issue at the  
10. local level. The only real tax relief we have addressed, and  
11. I want to put in a good word for it right now, is the Sales  
12. Tax relief. I'm not embarrassed about the difficulty it has  
13. caused. If you recall, that point was made on the Floor and  
14. I told the grocers in our area, you're...you're going to face  
15. the problem of the transition. When we get to the second penny,  
16. you'll find it a lot easier to deal with and they will. That  
17. was the only real tax relief we have had and one of the few  
18. real forms of tax relief that was proposed. Our problem,  
19. Ladies and Gentlemen, is that when I said the press is not  
20. competent to report this, it's because...not that the people  
21. in the press aren't competent. The limitations of the form,  
22. it's something I understand. I have been in it most of my life.  
23. The limitations of the form are such that what Senator McMillan  
24. does with a caress and the Governor does with a bludgeon, you  
25. get a headline across and that's what is conveyed and I simply  
26. tell you that where we are dealing, the area we are dealing...in  
27. deserves more than headline treatment, but that's what it is  
28. going to get. Tax limitation sounds great. You don't get into  
29. the ramifications of what it generates later on and time and  
30. again, we come up with these issues where we do something that  
31. sounds good right now in the press and the ramifications later  
32. on can be pretty bad. That's why we are slow and we should be  
33. slow, but because of the situation we are in, we are all

1. politicians, the headlines are going to proceed. We have to  
2. come out of here with something. The Governor has raised the  
3. ante. We have to do something and the choice is between doing  
4. something responsible and irresponsible. Now, I think that  
5. what we have done...it's true, we're not really sure exactly  
6. how this is going to translate into the actions of local  
7. government, but we have at least a pretty good idea and we had  
8. no idea what would be done with the limitation program. As I  
9. said before, absolutely, taxes are going to go up. One of the  
10. things that will not be reported in the press is what would have  
11. happened had we passed the Governor's program, this year and in  
12. years to come. We are only dealing with what is right in  
13. front of us and since we must face that political reality, and  
14. back off a little bit from statesmanship in the process, then  
15. I think we can only do those things that we really have some  
16. basis of belief...in which we have some basis of belief that  
17. they will truly work and the two elements in this, I think,  
18. are reasonable and we can try it and they will produce targeted  
19. tax relief. I think there...there are things I said in the  
20. beginning, I could support something in this fashion. It  
21. enables us to do something real. It has the double benefit  
22. of sounding good in the press. There will be a lot of beating  
23. of drums about how much better the other would have been. I  
24. don't believe that's the case at all, but I hope we would give  
25. wide-spread support to this bill.

26. PRESIDENT:

27. Further discussion? Senator Johns.

28. SENATOR JOHNS:

29. Just a brief word, Mr. President. We are talking about  
30. tax relief and we know it's needed, but, as I have sat here  
31. for the last nine years and watched this General Assembly act,  
32. I find that the cause of cost to local government is often right  
33. here in this General Assembly. We pass laws that mandate that

1. counties and local governments do so and so and we don't give  
2. them the...the money to do it with. If we really wanted relief  
3. for the people, I think that we ought to start cutting back on  
4. the garbage and the legislation that we pass out of here telling  
5. them what to do, but not giving them the money to do it and  
6. that's the way I feel about tax relief.

7. PRESIDENT:

8. Further discussion? Senator Bruce.

9. SENATOR BRUCE:

10. Thank you, Mr. President and members of the Senate. I  
11. have listened with interest to all the comments about what  
12. this bill does not do. Well, to Senator DeAngelis, it...I don't  
13. care who lives in the Tenth District and how much money they  
14. are making and what their house is assessed at. They get  
15. three thousand dollars off the assessment. It applies there.  
16. That's where it applies. It applies in every Home Rule unit  
17. because every Home Rule unit is going to have to back off the  
18. assessment of every home three thousand dollars. That's how  
19. it applies. It applies in those ninety-seven counties you  
20. mentioned because every homeowner is going to get three  
21. thousand dollars off their equalized assessed valuation. That's  
22. how it applies. Now, maybe the taxing bodies are going to go  
23. out and take that away from the taxpayer. I don't know, but  
24. I'll tell you this. The same thing will happen...those same  
25. people that you are so worried about taking this away from  
26. the taxpayer, are the same people you wanted to entrust with  
27. that 9.3 ceiling. Those same people the Governor called the  
28. robbers of the State of Illinois were going to do that too, or  
29. were they not going to do it if we put a ceiling? Well, I  
30. think that both cases prevail and that is the three thousand  
31. dollars will be taken into consideration by every taxing  
32. unit, whether it be a Home Rule unit or the Tenth District  
33. and every county in the State of Illinois and if they don't,

1. the taxpayers have a right to go to those elected officials  
2. and to complain. Now, we changed the may to shall and I don't  
3. know whether that's a wise thing. We are going to pass it out  
4. of here with shall. I don't know what that means. All it  
5. says is that they shall find there is a surplus and make a  
6. rebate. It doesn't say they shall rebate the surplus. It just  
7. says they shall find the surplus and shall rebate taxes and I  
8. think they qualify if they rebate one dollar of taxes and so  
9. why we have made a great deal about the may and shall, I'm not  
10. sure that there's going to be a great physical difference in  
11. what we have accomplished. Finally, let me go through it with  
12. Senator McMillan...my math on how we get the same benefit for  
13. downstate as we do for Cook County, Senator, in your example,  
14. the only way you can increase the taxes by the amount you  
15. assumed is that the taxes would have gone up five times the  
16. rate. Let's take your sixty thousand dollar home. To get the  
17. full benefit in Cook County, that house that goes to sixty...  
18. sixty-nine thousand dollars means a nine thousand dollar  
19. increase in their assessment at six...sixty thousand  
20. dollars the home was at an equalized assessed at sixteen  
21. percent is worth eleven five at the sixty-nine thousand. At  
22. sixty thousand, it's worth ten thousand. There they get the  
23. fifteen hundred dollar benefit, full benefit. Let's take that  
24. same sixty thousand dollar home downstate. Sixty thousand dollar  
25. home, we increase the assessment to six thousand four hundred...  
26. sixty-four thousand five hundred dollars. A forty-five hundred  
27. dollar difference, half that of the nine thousand. You take  
28. the thirty-three percent times the sixty-four five, you get  
29. twenty-one thousand five hundred and you take the thirty-  
30. three times the sixty thousand and you get a four thousand five  
31. hundred dollar difference. See, Senator McMillan, the only way  
32. they can get the additional nine thousand is to have doubled  
33. the value of their home and I want to point out that all these

1. figures are before we put on the multiplier in Cook County  
2. which is automatically 1.4 which increases their effective  
3. tax rate, not from sixteen percent, to twenty-two percent. So,  
4. downstate does get more than their fair share of tax relief  
5. under this legislation. It applies State-wide. It applies  
6. in Home Rule unit. It applies to the rich. It applies to the  
7. poor districts, everyone is going to get three thousand dollars  
8. off their equalized assessed valuation. We have talked about  
9. the homeowner and the problems they have had. This is a  
10. relief where its properly put to the homeowners of the State of  
11. Illinois.

12. PRESIDENT:

13. Further discussion? Senator DeAngelis.

14. SENATOR DeANGELIS:

15. Mr. President, I apologize for standing up, but I would  
16. like to answer something that the happy warrior of the class  
17. warfare group, Senator Bruce, has said. Senator Bruce, being  
18. more involved in government for longer periods than I have been,  
19. knows full well that most units of government levy by dollars,  
20. not by rates and I still stand by the statement that the  
21. only people that would benefit are those people who are at  
22. maximum rate whose assessed valuation has increased less  
23. than fifteen hundred dollars.

24. PRESIDENT:

25. All right. Any further discussion? Senator Egan may  
26. close.

27. SENATOR EGAN:

28. Thank you, Mr. President, members of the Senate. My  
29. college professor used to say...my English teacher, that the  
30. trouble in the world is not what people don't know, it's what  
31. they do know that just ain't so. Now, I have heard an awful  
32. lot of things today about this bill as it's structured presently  
33. that just ain't so. No matter how you structure your mirrors,

1. Senator McMillan, you can't hide the fact that a three thousand  
2. dollar reduction in assessed valuation is real property relief  
3. for every homeowner in Illinois. That is simply the fact and  
4. there's nothing you can say to change it. The proof is in the  
5. pudding and we'll see in the future, but as of today, it's the  
6. best relief that's been proposed in this Body. I ask for your  
7. favorable consideration.

8. PRESIDENT:

9. The question is shall House Bill 2563 pass. Those in favor  
10. will vote Aye. Those opposed will vote Nay. The voting is  
11. open. Have all voted who wish? Have all voted who wish?  
12. Have all voted who wish? Take the record. On that question  
13. the Ayes are 46. The Nays are 6. None Voting Present. House  
14. Bill 2563, having received a constitutional majority, is  
15. declared passed. Go to the Order of Resolutions. The Resolutions  
16. Consent Calendar has been distributed. There were four...five  
17. additional resolutions, all congratulatory, 360, by Senator  
18. Martin, 361, Senator Maragos, 362, 363, and HJR 76 by Senator  
19. Rock. Any objection been filed, Mr. Secretary?

20. SECRETARY:

21. No objections have been filed, Mr. President.

22. PRESIDENT:

23. All right, if not, Senator Bruce moves that Senate  
24. Resolution 352, 353, 354, 355, 356, 357, 358, 359, 360, 361,  
25. 362, 363 and HJR 76 be adopted. All in favor signify by saying  
26. Aye. All opposed. The Ayes have it. The resolutions are  
27. adopted. Resolutions.

28. SECRETARY:

29. Senate Joint Resolution No. 80 offered by Senator Nimrod.

30. PRESIDENT:

31. Executive. All right. Resolutions.

32. SECRETARY:

33. Senate Joint Resolution No. 79 offered by Senator Bruce.

1. (Secretary reads SJR No. 79)

2. PRESIDENT:

3. This is the Adjournment Resolution, Senator...offered by  
4. Senator Bruce, calling for us...when the House finishes today  
5. and I would remind you that the...the bill as amended is on  
6. its way to the House and we have to wait for the House to react,  
7. but this resolution will call for us to return on March 5th,  
8. at the hour of noon for the purpose of the Governor's Budget  
9. Message. Senator Bruce moves to suspend the rules for the  
10. immediate consideration and adoption of Senate Joint Resolution  
11. 79. All in favor signify by saying Aye. All opposed. The  
12. Ayes have it. The rules are suspended. Senator Bruce now moves  
13. the adoption of Senate Joint Resolution 79. All in favor  
14. signify by saying Aye. All opposed. The Ayes have it. The  
15. resolution is adopted. All right. The Regular Session will  
16. stand in recess until the call of the Chair. We will just have  
17. to await House action on our 2563, so we'll just stand in  
18. recess until the call of the Chair.

19. (Recess)

20. (After Recess)

21.

22. PRESIDENT:

23. Pursuant to the recess, the Senate will come to order.  
24. Introduction of bills.

25. SECRETARY:

26. Senate Bill 1506, introduced by Senator Moore.

27. (Secretary reads title of bill)

28. 1st reading of the bill.

29. PRESIDENT:

30. Rules Committee. Any further business to come before the  
31. Senate in its Regular Session? If not, Senator Shapiro moves that  
32. pursuant to the Adjournment Resolution, the Senate will stand ad-  
33. journed until Wednesday, March 5, at the hour of noon. Senate  
stands adjourned.