

81ST GENERAL ASSEMBLY

REGULAR SESSION

NOVEMBER 7, 1979

1. PRESIDENT:

2. The hour of nine having arrived the Senate will come to
3. order. Prayer this morning by Senator John Davidson. Senator.

4. SENATOR JOHN DAVIDSON:

5. (Prayer by Senator John Davidson)

6. PRESIDENT:

7. Thank you. Reading of the Journal. Senator Nega.

8. SENATOR NEGA:

9. I move that reading and approval of the
10. Journals of Tuesday, October the 30th, Wednesday, October the
11. 31st, Thursday, November the 1st, and Tuesday, November the 6,
12. in the year 1979, be postponed pending arrival of the printed
13. Journals.

14. PRESIDENT:

15. You've heard the motion. All in favor signify by saying
16. Aye. All opposed. The Ayes have it. So ordered. Resolutions.

17. SECRETARY:

18. Senate Resolution 308, offered by Senator Davidson and all
19. Senators, it's congratulatory.

20. Senate Resolution 309, offered by Senator Vadalabene, and all
21. Senators, it's congratulatory.

22. Senate Resolutions 310 and 311, offered by Senator Becker,
23. and they're congratulatory.

24. PRESIDENT:

25. Consent Calendar. There's been a request, is there leave
26. to go to page 4 on the Calendar to the Order of Conference
27. Committee Reports? Turn to page 4 on the Calendar, there are
28. two Conference Committee Reports that have been filed with
29. the Secretary. Mr. Sergeant-at-Arms. All right, if there's
30. no objection, leave is granted. We will just stay loose a
31. few minutes while copies of the report are, in fact, being
32. distributed. All right, middle of page 4 on the Calendar, on
33. the Order of Conference Committee Reports, there's been a

SB 563
Conf. Comm. Report
11-7-79

1. Conference Committee Report filed with respect to Senate Bill
2. 563, Senator Rhoads.

3. SENATOR RHOADS:

4. Thank you, Mr. President, and members of the Senate. I
5. ask leave to handle this for Senator Maragos.

6. PRESIDENT:

7. You've heard the request. Is leave granted? Leave is granted.

8. SENATOR RHOADS:

9. Thank you, Mr. President. I further ask leave to show
10. Senator Nimrod as a co-sponsor along with the other sponsors
11. on the bill.

12. PRESIDENT:

13. You've heard the request. Is leave granted? Leave is granted.
14. So ordered.

15. SENATOR RHOADS:

16. Thank you, Mr. President. Senate Bill 563 originally dealt
17. with the Campaign Disclosure Law. It...the Conference Committee
18. deletes all of that language dealing with the Campaign Dis-
19. closure Law, and now presents a bill to us which affects Public
20. Act 81-850, which was the 7:00 p.m. bill previously passed, and
21. signed by the Governor, because of a misunderstanding, and the
22. resignation of Congressman Mikva in the 10th Congressional
23. District, a special election, primary election has been called
24. for December 11th. This bill moves up the effective date of
25. the 7:00 p.m. law by one month, and also adds some clarifying
26. language to make sure that Deputy Registrars and Canvassers can
27. be paid by the State Board of Elections. The State Board of
28. Elections estimates that cost at twenty-seven thousand five
29. hundred dollars, they are not asking for an additional appropriation,
30. this will be absorbed in their regular budget. I'll be happy to
31. answer any questions, if there are none I would ask for a favorable
32. roll call.

33. PRESIDING OFFICER: (SENATOR BRUCE)

Is there further discussion? Senator Bowers.

1. SENATOR BOWERS:

2. Will the sponsor yield to a question? Now, as I understand
3. or as I read this, it sounds as if there's some discretion on
4. the local authorities as to raising the pay of judges, is that
5. right? It...

6. PRESIDING OFFICER: (SENATOR BRUCE)

7. Senator Rhoads.

8. SENATOR RHOADS:

9. What the bill says, Senator Bowers, is that that...the...
10. the pay increase which is mandated by this Act, which is ten
11. dollars shall be reimbursed by the State Board of Elections. Now,
12. it does not affect any local authority that the...that the local
13. Board of Elections, in your case might have over the, for example
14. they pay a differential as to whether or not the judge has been
15. to school, that sort of thing is not affected. It simply says
16. that their...whatever that base figure is, ten dollars shall be
17. added to it, and the amount of that increase shall be reimbursed
18. by the State.

19. PRESIDING OFFICER: (SENATOR BRUCE)

20. Senator Bowers.

21. SENATOR BOWERS:

22. Well, as I read it, it's raising the minimum from twenty-
23. five to thirty-five and raising the maximum from forty to
24. fifty. Now, my...and then it says that the State Board shall
25. pay for any increase. Now, I'm wondering about the county who
26. is now paying twenty-five for instance, and the county that's
27. now paying forty, and the county that's paying twenty-five decides
28. to go all the way up to fifty, do we...does the State Board pick
29. up the total twenty-five. It seems to me, that it reads that
30. it does.

31. PRESIDING OFFICER: (SENATOR BRUCE)

32. Senator Rhoads.

33. SENATOR RHOADS:

MB 1320
C.C. Rye
11-7-79

1. Well, that's...that's not my reading of it nor has that been
2. the analysis of anyone who has studied the bill from either...from
3. the State Board Elections or on our staff or the House staff.
4. The...the intent is the amount of compensation provided for in
5. this amendatory Act, which is ten dollars.

6. PRESIDING OFFICER: (SENATOR BRUCE)

7. Senator Bowers.

8. SENATOR BOWERS:

9. Well, as long as it's a permissive type thing, and as long
10. as they're permitting an increase, and then you go on to say that
11. any increase will be compensated by the board, it simply...I admit
12. I read it quickly, and I did not totally analyze it, but I just
13. question whether or not the language doesn't say that the State
14. Board has to pick up the cost...the cost and if they do not, and
15. that's the legislative intent, then I really have no problem with
16. it at all.

17. PRESIDING OFFICER: (SENATOR BRUCE)

18. Further discussion? Senator Rhoads may close.

19. SENATOR RHOADS:

20. Roll call.

21. PRESIDING OFFICER: (SENATOR BRUCE)

22. The question is, shall the Senate adopt the Conference
23. Committee Report on House...Senate Bill 563. Those in favor
24. vote Aye. Those opposed vote Nay. The voting is open. Have
25. all voted who wish? Have all voted who wish? Have all voted
26. who wish? Take the record. On that question, the Ayes are 53,
27. the Nays are none. None Voting Present. The Senate does adopt
28. the Conference Committee Report on Senate Bill 563, and the
29. bill having received the required constitutional majority is
30. declared passed, and the bill having received the affirmative
31. votes of three-fifths of the members elected is effective immediately
32. upon its becoming a law. Conference Committee Reports. Senator
33. Rock is recognized on the Conference Committee Report on Senate
Bill 1320. Senator Rock.

1. SENATOR ROCK:

2. Thank you, Mr. President, and Ladies and Gentlemen of
3. the Senate. The Conference Committee Report on Senate Bill
4. 1320, in affect strips all other matters out of the bill, with
5. ...with the exception of three revisionary changes suggested by
6. the Legislative Reference Bureau. This was a bill that was
7. introduced at the request of the Circuit Court Clerk of the
8. County of Cook. Senator Grotberg and I proceeded to amend and
9. unamend this bill, and it wound up in a Conference Committee,
10. we have now taken everything out, except three revisionary
11. amendments, as I said suggested by the Legislative Reference
12. Bureau to clean up the Statute, and have provided...the sole
13. substance of this will provide an increase in the allowable
14. maximum salary for the Circuit Court Clerks across this
15. State. As you well know the Circuit Court Clerks stand
16. for election or reelection next year, they have not had a
17. pay increment in some five years, I guess, and all this will
18. do is raise the outer limit, the allowable maximum. It is still
19. totally dependent upon individual county board action as to
20. what their actual salary will be, but we are allowing or
21. permitting the board to go up. I think that the moment is
22. opportune to do this, these Gentlemen and Ladies have the
23. same filing dates as do we, that is December 10th is the
24. first day to file petitions. I think it's an opportune time
25. to do this so that all the candidates are well aware of what
26. ...what, in fact, their county boards can provide if the county
27. boards so desire. I will answer any questions, and I solicit
28. your support and move the adoption of this Conference Committee
29. Report.

30. PRESIDING OFFICER: (SENATOR BRUCE)

31. Is there discussion? Senator Geo-Karis.

32. SENATOR GEO-KARIS:

33. Will the sponsor yield to a question?

1. PRESIDING OFFICER: (SENATOR BRUCE)

2. Indicates he'll yield. Senator Geo-Karis.

3. SENATOR GEO-KARIS:

4. Senator, there was a prior bill in this Senate, which said
5. no less than forty-two thousand five hundred dollars for the
6. county...the Circuit Court Clerk, I think it was of Cook County,
7. or was it just the county clerk? Could you...could you
8. elaborate on that, this is a...this sets a maximum, if I understand
9. correctly, this does not set a minimum, but a maximum. Was
10. the prior bill that referred to the county clerk similar to
11. this one?

12. PRESIDING OFFICER: (SENATOR BRUCE)

13. Senator Rock.

14. SENATOR ROCK:

15. It was dissimiliar in two respects, there was some lengthy
16. discussion, as you well know Cook County is the only home rule
17. county in the State, and the original bill as presented to the
18. Sēnate by me, did call for a salary of the county...of the Circuit
19. Court of Cook County, at not less than forty-two and there was
20. no upper limit, there was no maximum provided. This bill says,
21. does not touch the minimums at all with the respect to any county,
22. and sets the allowable upper limit subject to county board action
23. for the Circuit Court Clerk of Cook County at forty-nine thousand
24. dollars. The other change was those counties between three hundred
25. thousand and a million, which is DuPage and Lake, it allows an
26. allowable upper limit or an allowable maximum of forty-two
27. thousand five hundred dollars. Those two changes are different
28. than the bill as originally presented last June.

29. PRESIDING OFFICER: (SENATOR BRUCE)

30. Is there further discussion? Senator Netsch.

31. SENATOR NETSCH:

32. What does the clerk of...in Cook County receive right now
33. in the way of compensation?

1. PRESIDING OFFICER: (SENATOR BRUCE)

2. Senator Rock.

3. SENATOR ROCK:

4. My recollection is forty-two five, but I...I could be
5. wrong. It's somewhere in that...in that neighborhood.

6. PRESIDING OFFICER: (SENATOR BRUCE)

7. Senator Netsch.

8. SENATOR NETSCH:

9. Are their officers at the county level in Cook who receive
10. as much as forty-nine thousand now, do you know?

11. PRESIDING OFFICER: (SENATOR BRUCE)

12. Senator Rock.

13. SENATOR ROCK:

14. Yes, the County Board President, I believe, at least is
15. allowed fifty, now whether he takes the whole thing or not,
16. I frankly don't know. I think the...there is a bill pending
17. to raise the allowable upper limit for the State's Attorney
18. for Cook. I think the Assessor...not at forty-nine, but I think
19. he's around forty-five. They're all in the mid-forties range,
20. but it's all subject of course to the county board.

21. PRESIDING OFFICER: (SENATOR BRUCE)

22. Further discussion? Senator Shapiro.

23. SENATOR SHAPIRO:

24. Well, Mr. President, and Ladies and Gentlemen of the Senate.
25. I want to just reiterate what President Rock has said, I'm in...
26. totally in favor of these pay raises, they do not touch the
27. minimums, raise the maximums, it leaves a discretion of what
28. salary in between those ranges that the county board will allow,
29. and I would like to further point out that the burden of providing
30. the extra money for these raises, if they are given by the
31. respective county boards, lies with the State, and not with the
32. local county board, or local taxes. So, I would urge everyone
33. to vote for this bill. We've done the same for the County
Clerks, the Treasurers, and the Sheriffs, the County Superintendents

1. of Schools, and there is no reason why we should leave these
2. county officials out of a general pay raise that we have given
3. to others, so I would urge everyone to vote for the bill.

4. PRESIDING OFFICER: (SENATOR BRUCE)

5. Is there further discussion? Senator Rock may close.
6. The question is, shall the Senate adopt the Conference Committee
7. Report on Senate Bill 1320. Those in favor vote Aye. Those opposed
8. vote Nay. The voting is open. Have all voted who wish? Have
9. all voted who wish? Take the record. On that question, the
10. Ayes are 53, the Nays are none. 2 Voting Present. The Senate
11. does adopt the Conference Committee Report on Senate Bill
12. 1320, and the...and the bill having received the required con-
13. stitutional majority is declared passed, and the bill having
14. received the affirmative votes of three-fifths of the members
15. elected is effective immediately upon its becoming a law.
16. Well it says...On that question the Ayes are 53, the Nays are
17. none. 3 Voting Present, and the bill having -received the
18. required...constitutional majority is declared passed, and
19. having received the affirmative votes of three-fifths of
20. the members elected is effective immediately upon its becoming
21. a law. Is there leave to go to the Order of House Bills 2nd
22. reading? Leave is granted. House Bills 2nd reading. Senator
23. Regner on House Bill 1179. House Bill 20...House Bill 2789,
24. Senator Graham. Read the bill, Mr. Secretary, please.
25. Is Senator Carroll...yes, he is on the Floor, Senator Graham.

26. SECRETARY:

27. House Bill 2789.

28. (Secretary reads title of bill)

29. 2nd reading of the bill. The Committee on Appropriations I offers
30. two amendments.

31. PRESIDING OFFICER: (SENATOR BRUCE)

32. Senator Graham.

33. SENATOR GRAHAM:

1. Let's take them one at a time, we...I will agree that
2. Amendment No. 1 should be adopted, I will strongly disagree
3. with the adoption of Senate Amendment No. 2.

4. PRESIDING OFFICER: (SENATOR BRUCE)

5. Senator Carroll.

6. SENATOR CARROLL:

7. Why, thank you, Mr. President, and Ladies and Gentlemen of
8. the Senate. Amendment No. 1 is a committee amendment, changing
9. the source of funds for one particular project and I would move
10. adoption, and Senator Graham says that there is support for
11. Amendment No. 1.

12. PRESIDING OFFICER: (SENATOR BRUCE)

13. Senator Carroll has moved the adoption of Amendment No. 1.
14. Is there discussion? All in favor say Aye. Opposed Nay. The
15. Ayes have it. Amendment No. 1 is adopted. Are there further
16. amendments?

17. SECRETARY:

18. Committee Amendment No. 2.

19. PRESIDING OFFICER: (SENATOR BRUCE)

20. Senator Carroll to explain Amendment No. 2.

21. SENATOR CARROLL:

22. At this time, since we had made...received the request from
23. Senator Wooten to place the amendment on, I will yield to
24. Senator Wooten.

25. PRESIDING OFFICER: (SENATOR BRUCE)

26. Senator Wooten is recognized on Amendment No. 2.

27. SENATOR WOOTEN:

28. Well, thank you, Mr. President, and colleagues. I have
29. discussed this subject with you before, we have what I think
30. is a serious problem in our area with the closing of the East
31. Moline State Hospital. I said it in the beginning, I'm not
32. trying to defend jobs, I will certainly consent to any reduction
33. there that seems reasonable, but the loss of psychiatric
beds to our community is a serious problem, we will be left

1. with only fifty psychiatric beds, and none of those
2. have to be made available to patients that are brought
3. in on sudden incidents of violent action. After eighty
4. years of this kind of presence, one that has been used
5. continuously, it is a bit abrupt we think to...shut down
6. the most cost effective, one of the only two accredited
7. institutions in our whole mental health system, and I
8. have talked to Governor Thompson about this, and said
9. that surely there is room for some compromise. I'll tell
10. you the fears of the community are, that if we clear out
11. the mental health institution for the sole purpose of
12. establishing a minimum security prison, I don't think
13. anyone in the community thinks it's going to stay at
14. a reasonably sized minimum security prison for a minute.
15. We're talking about destroying a building that's on the
16. Illinois Historic Register, there're a lot of things to
17. consider about this, and I talked to the Governor last week,
18. he said he would get back to me this week, and I think
19. until he and I have a chance to discuss the matter further,
20. I would certainly urge that we adopt this amendment, we
21. have time to deal with it yet again tomorrow. I am not
22. asking you to support a boondoggle in my district. I'm
23. simply telling you that we have an extremely serious problem
24. and we are moving so rapidly on this, with so little thought
25. of what...of what we're losing in our community, there simply
26. is not a cent for this...with this change within the community.
27. I want to help the Governor, I want to help Gale Franson in
28. their quest for a minimum security prison, but we can't do
29. it at the total elimination of a badly needed psychiatric
30. facility, or at least some kind of presence in the community.
31. So, I would ask for the adoption of this amendment until
32. Governor Thompson and I have an opportunity to talk, he has
33. assured me that we will...that he will get back to me, and
I've talked to Terry Bedgood and Jim Edgar, and I think we ought

1. to be able to work something out.

2. PRESIDING OFFICER: (SENATOR BRUCE)

3. There's been a request by television to shoot silent film.

4. Is there leave? Leave is granted. Senator D'Arco.

5. SENATOR D'ARCO:

6. Senator Wooten, can I have your attention, Senator Wooten.

7. Wooten.

8. PRESIDING OFFICER: (SENATOR BRUCE)

9. Senator D'Arco.

10. SENATOR D'ARCO:

11. I just wanted to ask you, because we're facing a hospital
12. crisis in Cook County as you know Cook County Hospital is
13. in dire need of money, and they're blaming it on the Cook
14. County Governing Commission's fiscal policies, in terms of
15. running the hospital. Now, I, you know, Regner's got a bill
16. here to phase-out the Cook County Governing Commission,
17. now I hope you're not supporting that bill. This is a
18. great amendment, Mr. President, and I full heartedly support
19. it, we need these beds in this hospital for these patients
20. and I'm going to vote Aye on it.

21. PRESIDING OFFICER: (SENATOR BRUCE)

22. Senator Ozinga.

23. SENATOR OZINGA:

24. One question, does this amendment merely delay the funds?
25. What does the amendment do, in and of itself?

26. PRESIDING OFFICER: (SENATOR BRUCE)

27. Senator...Senator Carroll.

28. SENATOR CARROLL:

29. Well, I don't know...you'll have to interpret whether it's
30. a delay or not, it cuts it to a dollar, I don't think
31. they can get the job done for a dollar. So, I would assume
32. they would have to come back, yes.

33. PRESIDING OFFICER: (SENATOR BRUCE)

Senator Ozinga.

1. SENATOR OZINGA:

2. Well, okay, they tell me that it cuts six million dollars
3. down to one dollar, well that's a substantial cut, but I would
4. just like to reiterate one or two things, the Visitation
5. Commission, of which I am Chairman, visited East Moline when
6. we got the news that they were phasing-out another institution.
7. So, we immediately went and visited the institution. Now, I
8. fully realize, and I'm not trying to kill...the bill that says
9. that they need the money or anything like that, but what I am
10. saying is that the Department of Mental Health went forward with
11. the phasing-out of another of our bigger institutions. Now,
12. this is the only State institution that is in that western set
13. up, the closest one to East Moline is Dixon, which is approximately
14. seventy miles away. The next closest is Galesburg which is
15. approximately fifty miles away. Now, the argument that is being
16. tendered is that there is a community...

17. PRESIDING OFFICER: (SENATOR BRUCE)

18. Excuse me, Senator Ozinga. Ladies and Gentlemen if we might
19. have some more order. Senator Ozinga.

20. SENATOR OZINGA:

21. The argument is, that there is a community clinic that is doing
22. a marvelous job in East Moline, this is true, but the same private
23. personality that runs that job was a former State employee, with
24. the Department of Mental Health, and he called me personally to
25. tell me that he was not in favor of phasing-out the institution,
26. that they were dependent upon it. Now, the main argument for
27. turning this over to the Department of Corrections, is that they
28. do not want to put mentally ill people on the same premisses as
29. the corrections people are on. Granted that this is for minimal
30. security and I don't quite agree with Senator Wooten's argument
31. that it will be maximum security very shortly, but there is more
32. to this than what meets the eye, at the very entree to this
33. institution is a grade school, housing a number of children. The

1. argument that the correction should not be with mental health,
2. there is a complete possibility of keeping the main building.
3. Now, when we visited, we asked well why do they need the main
4. building, and the reason was that they would have to rehabilitate
5. some of the other buildings, that they weren't good enough to
6. keep prisoners, well since when do we have to have palaces for
7. prisoners. The answer to the whole situation is, that I think
8. the Governor is right when he says we should take a second look
9. and before we go ahead with this appropriation, let's wait just
10. a little bit, from what I am told the order is, that they must
11. be out of there by March 1st. Now, I don't want to kill the bill
12. or anything else, but I do say, that I do believe that there's
13. a good possibility of retaining the main building which now
14. houses, I believe a hundred and fifty-five mentally ill people
15. that are not very ambulatory, and they will not be interfering
16. and there is a possibility of a division on the grounds there so
17. that it could be retained. Thank you.

18. PRESIDING OFFICER: (SENATOR BRUCE)

19. Further discussion? Senator Graham.

20. SENATOR GRAHAM:

21. Mr. President, and members of the Senate.

22. PRESIDING OFFICER: (SENATOR BRUCE)

23. For what...for what purpose does Senator...Senator Carroll
24. arise?

25. SENATOR CARROLL:

26. Well, really kind of to make a suggestion to Senator Graham,
27. if possible. I understand...how about the possibility of putting
28. this on...now on a voice vote with the commitment from you, as
29. I'm sure you would then make the...to bring it back tomorrow,
30. to take it off if we can resolve the problems, or, at least, to
31. discuss it then.

32. SENATOR GRAHAM:

33. Well, I'll do this, I'll make a commitment to bring it back

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1. tomorrow, and if you're unwilling to take it off, I'm going
2. to try to beat you at it.

3. SENATOR CARROLL:

4. Right.

5. SENATOR GRAHAM:

6. But I will certainly bring the bill back, but I certainly
7. want...this amendment goes on we've got to bring the bill back.

8. SENATOR CARROLL:

9. Right.

10. SENATOR GRAHAM:

11. Because it worthless the way it is.

12. SENATOR CARROLL:

13. So if we put it on, and then for sure it will come back
14. tomorrow.

15. SENATOR GRAHAM:

16. Well, I wish we would have to do that but if that is a portion
17. of a part of an agreement to solve this thing...

18. SENATOR CARROLL:

19. Yes.

20. SENATOR GRAHAM:

21. ...then certainly I'm not adversed to that.

22. SENATOR CARROLL:

23. Fine. I would move adoption of Amendment No. 2.

24. PRESIDING OFFICER: (SENATOR BRUCE)

25. Senator Carroll has moved the adoption of Amendment No.

26. 2. Is there further discussion of the motion to adopt. All
27. in favor say Aye. Opposed Nay. The Ayes have it. The Amendment
28. No. 2 is adopted. Are there further amendments?

29. SECRETARY:

30. No further amendments.

31. PRESIDING OFFICER: (SENATOR BRUCE)

32. 3rd reading. House Bill 2790, Senator Regner. Read the bill,
33. Mr. Secretary, please.

1. SECRETARY:

2. House Bill 2790.

3. (Secretary reads title of bill)

4. 2nd reading of the bill. The Committee on Appropriations I

5. ...or II offers one amendment.

6. PRESIDING OFFICER: (SENATOR BRUCE)

7. Senator...Senator Regner is recognized. For what purpose
8. does Senator Buzbee arise?

9. SENATOR BUZBEE:

10. Committee Amendment.

11. PRESIDING OFFICER: (SENATOR BRUCE)

12. Well, we haven't got the amendment yet, what...are there
13. amendments, Mr. Secretary?

14. SECRETARY:

15. Committee Amendment No. 1, offered by Appropriations II.

16. PRESIDING OFFICER: (SENATOR BRUCE)

17. Senator Buzbee.

18. SENATOR BUZBEE:

19. Thank you. Committee Amendment No. 1, is a supplemental
20. appropriation to the Department of Corrections. A supplemental
21. is needed to alleviate overcrowded prison conditions
22. with particular attention to providing additional bed space
23. to cover the projected short fall of prison beds in the second
24. half of FY '80. It's an amendment adding eight million three
25. hundred ninety-six thousand one hundred dollars to the Department
26. of Correction...Corrections for the purchase and erection of
27. modular housing units to be used a minimum security units outside
28. the walls of various institutions, it will be used to house the
29. road gangs, which the department is now beginning to use due to
30. the passage of Senator Sangmeister's bill. It's been a very successful
31. program, but with their prison population exploding, not just
32. expanding, but literally growing at a hundred people per month,
33. they are already at their max right now, and this...I am convinced
this is needed very badly. Director Franson has...has made his case

1. and I think made it well, and I think that the time has come
2. for us to adopt this amendment.

3. PRESIDING OFFICER: (SENATOR BRUCE)

4. Senator Buzbee has moved the adoption of Committee Amendment
5. No. 1. Is there discussion of the motion? All in favor say
6. Aye. Opposed Nay. The Ayes have it. Amendment No. 1 is adopted.
7. Are there further amendments?

8. SECRETARY:

9. No further committee amendments.

10. PRESIDING OFFICER: (SENATOR BRUCE)

11. Are there amendments from the Floor?

12. SECRETARY:

13. Amendment No. 2 offered by Senator Carroll.

14. PRESIDING OFFICER: (SENATOR BRUCE)

15. Senator Carroll is recognized on Amendment No. 2.

16. SENATOR CARROLL:

17. Thank you, Mr. President, and Ladies and Gentlemen of
18. the Senate. The department came in for these Send the Kids
19. to Camp Program, but did not identify where the camp sites
20. were, so this just breaks down the camp sites, for these mobile
21. home prisons, and does not change the dollar amount. I would
22. move adoption of Amendment No. 2.

23. PRESIDING OFFICER: (SENATOR BRUCE)

24. Is there discussion of the motion to adopt? All in favor
25. say Aye. Opposed Nay. The Ayes have it. Amendment No. 2 is
26. adopted. Are there further amendments?

27. SECRETARY:

28. Floor Amendment No. 3 offered by Senator Jerome Joyce.

29. PRESIDING OFFICER: (SENATOR BRUCE)

30. Senator Joyce on Amendment No. 3.

31. SENATOR JEROME JOYCE:

32. Thank you, Mr. President. This amendment reduces the
33. construction of the proposed permanent work camp on the State

1. Fair Grounds from sixty-five...from six hundred and twenty-
2. five thousand to a dollar and eliminates a hundred and eighty
3. four thousand, three hundred dollars for the operation of this
4. work camp. This...it's one thing to build work camps adjacent
5. to an existing penal institution, but quite another to convert
6. the Junior Building at the Illinois State Fair Grounds to
7. a permit work camp for fifty-four convicts. It's just not that
8. the Junior Building is isolated from the population, on the
9. contrary, the Junior Building houses the Junior State Fair
10. exhibitors from all over the State during the State Fair, and
11. is not more than forty feet from the Junior Livestock Building
12. which is used by members of the Agriculture community throughout
13. the year for numerous livestock shows and sales. This amendment
14. does not stop the proposed work camp idea, rather it eliminates
15. the funding for one extremely sensitive location. Once the
16. views of the people in the Agriculture community are known, then
17. perhaps these funds could be restored.

18. PRESIDING OFFICER: (SENATOR BRUCE)

19. Is there discussion of the motion? Senator Buzbee.

20. SENATOR BUZBEE:

21. Thank you, Mr. President. I rise in opposition to this
22. motion. There are, in fact, cons that are being worked at
23. the State Fair Grounds right now. They have been for quite
24. some time. You know, I get a little upset with the arguments
25. that are being constantly used in...in the prison population
26. situation, of why don't you build prisons here or why don't
27. you build prisons there, and then everytime the department
28. tries to build a prison or a camp or whatever in those particular
29. areas they are...they receive adamant opposition from local
30. residents. There is one way around that, of course, you can
31. build all the damn prisons you want in my district, we would
32. like to have them, we need the jobs, but nobody wants to do that
33. and it's not the right thing to do, that's...that's understood,

1. but in Southern Illinois we welcome these kinds of projects,
2. because we need the work, but here is a State facility where
3. we don't have to go in and build up the ire of the local
4. community, they have been there already from some two
5. or three months doing work, cleaning up the Fair Ground.
6. It's a good job they're doing, the director has an immediate
7. bed space problem, if you...if this particular amendment were
8. to prevail he's going to lose about fifty-four bed spaces,
9. and fifty-four bed spaces believe it or not in a population
10. of eleven thousand and some odd is absolutely critical, and
11. so then he's going to have to go around and try to convince
12. somebody at Western Springs, where there was an...facility
13. that he wanted to convert, which the local population rose
14. up in arms against, or he's going to have to go somewhere
15. and convince the local population that his facility should
16. be put there. Here's a facility that is all ready existing
17. it's a remodeling of an existing dormitory it is work that
18. can be done in the Capitol City, by these people, these
19. convicts, it's minimum security people, we're not talking
20. about people...we're not talking about murderers and rapists,
21. or whatever, it's minimum security people, they can only
22. get there after earning their way there through the prison
23. system, by showing that they are, in fact, good boys, and
24. it's a reward system. If they get there and they step out
25. of line the director will have them on the bus that night, to
26. Statesville or Joliet or Menard So, you're not dealing with
27. violent type criminals, that are going to be living in these
28. facilities. The director needs this facility in Springfield,
29. he needs the remodeling of that dormitory. It will in no
30. way, I don't believe impinge upon the State Fair, upon the
31. exhibitors there, in fact, I think it will enhance what goes
32. on at the State Fair, and I would ask that you oppose this
33. amendment.

1. PRESIDING OFFICER: (SENATOR BRUCE)

2. Further discussion? Senator Graham.

3. SENATOR GRAHAM:

4. Mr. President, and thank you, Senator Buzbee. We find
5. ourselves in this position that no one likes, really. It's
6. true that we're in dire need of bed space, that's why the
7. East Moline Proposal. We are going to be short possibly twenty-
8. five hundred to three thousand beds, early in 1980. Now,
9. Ladies and Gentlemen of the Senate, in the spirit of providing
10. a constructive place for these violators to spend their time,
11. we have two options, or maybe three, we got three options I
12. guess, we can either not provide it through a remodeling process,
13. or we can build a new institution, and the costs there is sub-
14. stantially different, or we can do the other thing that the
15. Director of Corrections has said very frankly to all of us,
16. that...if there is a continuation, and an increase in the number
17. of people that are convicted and sent to the Department of
18. Corrections, could I have a little order, Mr. President.

19. PRESIDING OFFICER: (SENATOR BRUCE)

20. I think you'll get just a little.

21. SENATOR GRAHAM:

22. Very little.

23. PRESIDING OFFICER: (SENATOR BRUCE)

24. Could we have some order please.

25. SENATOR GRAHAM:

26. We're used to very little.

27. PRESIDING OFFICER: (SENATOR BRUCE)

28. That's right. Senator Graham.

29. SENATOR GRAHAM:

30. Sent to the Department of Corrections, he has two choices,
31. or one choice at that time, to turn them back, to say no to the
32. counties, to say no to the people who convict them, because we
33. do not have the room. Now, in that case, if he turns them back,

1. which I certainly suggest he does before we get into three
2. persons in a cell, those interested in county government are
3. going to have to explain to their people back home why those
4. inmates are still resting comfortably in the county jail. This
5. is not an easy task for any of us, but Gentlemen the task is
6. provided for us to solve do to the fact that we in the General
7. Assembly have insisted that the judicial system, in the State
8. of Illinois take these people off the street, and through the
9. process of rehabilitation if there is such a word, these people
10. have an opportunity to work them...their way through the prison
11. process and get to the point, in time where they're close to
12. parole, if there ever can be any trust put into man it should
13. be at that time, if they violate it they're going back for the
14. maximum of their sentence probably, and I understand, I understand
15. that everybody in this room says that we should lock these guys
16. up, but most of the people in this room says yes, but put them
17. in somebody else's area. Now, Ladies and Gentlemen we got a couple
18. of hard choices to make, frankly I don't want them to turn them
19. loose, frankly I don't want them to send them back, frankly I
20. don't want the judges to...quit...convicting them, but frankly
21. I think it's our...I think the people in this State demand that
22. we do our job and provide for that...for them the security for
23. those who have violated the rules of society before, and this
24. amendment is a bad amendment, and I suggest that it be defeated.

25. PRESIDING OFFICER: (SENATOR SAVICKAS)

26. Further discussion? Senator Knuppel.

27. SENATOR KNUPPEL:

28. Well, I'm amazed, and John's my friend, that on the one hand
29. we fight to get the Fair Grounds out there in an intergrated
30. type of situation where it's all under the Department of
31. Agriculture, and then we run another group like the...like those
32. who have to take care of our prisons in there as a split authority,
33. and put these people in there. That wasn't what that was built for,

1. it isn't what the Fair Grounds is intended for, I have a place
2. called Peoria State Hospital, that we closed under Walker years
3. ago, we haven't done one damn thing about, and why we have to go
4. remodel this, when that...when that could be used, also I noticed
5. on television last night, that the home at Bloomington, Childrens...
6. Sailors and Soldiers Home, now is going to be used by the Federal
7. NYAA, or whatever it is, they furnish the money and the State
8. supports them, but I'm sure we got other places other...than to
9. take away, and there are a lot of things that go on out there
10. during the year, not just the Fair, where our youngsters are
11. out there at that Fair Grounds, and there's a lot of memories
12. there for them when they get older, and I just don't think you
13. mix the Department of Agriculture up with the split authority
14. over this with the Prison Division, and everything else. I think
15. that Fair Groundsought to belong to Agriculture, they ought to
16. make the Fair go or not go, without having any other excuses on
17. any other department. This is...this is a good amendment and
18. should be adopted.

19. PRESIDENT:

20. Further discussion? Senator Grotberg.

21. SENATOR GROTBORG:

22. Thank you, Mr. President. First I would like to ask you
23. Mr. President, to ask the appropriate authorities in this building
24. to get down to the sixty-eight degree temperature in this room
25. if we're going to be here all day blowing hot gas.

26. PRESIDENT:

27. Suggestion is well taken, and it appears we are...

28. SENATOR GROTBORG:

29. Now, to the...to the amendment. I'm a little suprised at
30. my distinguished colleague, Mr. Joyce. Senator Joyce drew the
31. the short straw on this amendment, because this amendment has
32. nothing to do with the subject at hand, it is an AF of L, CIO
33. amendment, that was presented in testimony yesterday, that
there's some concern that prisoners actually do work in Illinois,

1. and most of all, God forbid that should ever happen in the
2. City of Springfield, that somebody should do some work for
3. their keep while they're on State costs. It costs us about
4. ten, fifteen thousand dollars a piece to keep these prisoners,
5. and the presentation in Appropriations on that amendment was
6. so poorly in taste, as far as I'm concerned, cause I can't
7. think of one good union member anywhere that would take issue
8. with a prisoner earning his keep. Secondly, the inference is
9. drawn in some of this debate that...in this, one of ten units
10. are going to be working on the Fair Grounds all the time. They
11. are going to be housed on the Fair Grounds, I hope by the grace
12. of God and Senator Sangmeister's amendment, that they're out
13. on Route 55 from time to time picking up a little bit of this
14. and a little bit of that. I have attended with...Director Franson
15. several hearings to try to spot these things, these mobile kinds
16. of housing units for the ten work crews that he's initiating
17. to enact the bill that we all voted for, and I've seen him
18. driven out of a couple of communities by the neighborhood, so
19. he has then gone to State owned properties, and State directors,
20. and other State directors, also the Department of Mental Health,
21. as well as Corrections, we're getting one in Pontiac, one in
22. Sheridan. It's the only expeditable way to get this program
23. going. I would plead with you then, for common sense to vote
24. No on this amendment, that would begin to play games...would
25. begin to play games, if what is true in Springfield, would be
26. true all over the State, we cannot break that format by letting
27. out one amendment that would just knock out one site in Springfield
28. on State owned property, by a very well run plan, that this
29. Legislature enacted almost unanimously just a few weeks ago.

30. PRESIDENT:

31. Further discussion? Senator Bruce.

32. SENATOR BRUCE:

33. Thank you, Mr. President, and members of the Senate.

1. PRESIDENT:

2. Senator Buzbee.

3. SENATOR BRUCE:

4. I stand to agree with Senator Graham, and Senator
5. Buzbee, that this is a program that ought to be begun, and
6. that we ought to fund it, and the prisoners ought to have
7. a chance to be involved in work camps. I disagree, however
8. with Senator Graham, and Senator Buzbee, when they say that
9. we ought to put these prisoners at the State Fair Grounds.
10. Now, we're...we just discussed the amendment where we're
11. going to take mental health patients, and evict them, so
12. that we can have prisoners put in that facility. Now, we're
13. saying to the youth of the State of Illinois, we need your
14. space so that we can put prisoners in there. I don't know
15. where this stops, one of these days they may use this hall
16. on the weekends for some sort of work camp, but Gentlemen,
17. everyone of those other seven facilities, as I understand it,
18. not being a member of the Appropriations Committee, I did not
19. hear all the testimony, are attached to some penal facility.
20. Now, I don't see any reason for the State of Illinois with
21. the size budget we have, and all the places we've located,
22. that we have to locate fifty some prisoners on the State Fair
23. Grounds, near the youth of the State of Illinois. I think
24. Senator Joyce should be supported in his amendment. No one is
25. killing the seven work camps, no one is saying the program
26. not...ought not to continue. This, by the way, just was in the
27. paper, I saw two days ago, and now we have a full pledged
28. program ready to go, we're spending thousands of dollars already
29. and no one even knows where this facility, and I've inquired here on
30. the Floor, no one can tell me whether this facility will be opened
31. or closed during the State Fair. I am told that it came up in
32. committee yesterday, and no one can answer. I don't know
33. whether you ought to have fifty-five prisoners at the State

1. Fair Ground, I took my wife and family out there last...
2. last year, I don't particularly care that they're there
3. when I'm there, and...and I fought to get a prison in my
4. district, in Lawrenceville and lost. So, I'm...I'm not
5. one of the anti-prison people, I'd like to have one for
6. the jobs, but I don't want it at the State Fair.

7. PRESIDENT:

8. Further discussion? Senator Regner.

9. SENATOR REGNER:

10. Well, Mr. President, and members. This is my bill, and
11. I'll keep it short. Senator Buzbee, and Senator Grothberg
12. certainly explained the opposition correctly and properly,
13. and I would urge opposition to the amendment at this time.

14. PRESIDENT:

15. Any further discussion? Senator Joyce may close.

16. SENATOR JEROME JOYCE:

17. Yes, thank you, Mr. President. This...I'm not opposing
18. the other seven sites, but this is the Illinois State Fair Grounds,
19. it is the show window for agriculture in Illinois. In these...
20. the residential buildings, I guess these are the units where the
21. ...the youth of Illinois, the 4-H members, and what have you,
22. stay during the State Fair, there are literally hundreds of them
23. there. They stay for, I think it's ten to twelve days, they
24. range in age from ten years old to eighteen years old. They
25. are left there without their parents, they are...they're more
26. or less on their own, there are people that watch out for them,
27. but I don't think that this is a site that should house convicts
28. in the State of Illinois. So, I would urge adoption of this
29. amendment.

30. PRESIDENT:

31. All right, the question is, the adoption of Amendment No.
32. 3 to House Bill 2790. Those in favor of the amendment indicate
33. by saying Aye. Those opposed. Roll call has been requested.

1. Those in favor of amendment No. 3 to House Bill 2790 will
2. vote Aye. Those opposed will vote Nay. The voting is open.
3. Have all voted who wish? Have all voted who wish? Have all
4. voted who wish? Take the record. On that question, the
5. Ayes are 26, the Nays are 29. 1 Voting Present. The amend-
6. ment fails. Further amendments?

7. SECRETARY:

8. Amendment No. 4 offered by Senator Rhoads.

9. PRESIDENT:

10. Senator Rhoads.

11. SENATOR RHOADS:

12. Thank you, Mr. President, and members of the Senate.
13. This amendment deals with a hundred and fifty-one thousand
14. dollars for the...to assist to the residential program,
15. assisting deaf children with severe behavioral disorders,
16. at the Illinois School for the Deaf. When the representatives
17. for the Illinois Office of Education and the Board of Voc-
18. Rehab testified in committee yesterday, they told us that the
19. Bureau of the Budget had gone to Representative Chapman, the
20. House sponsor of the amendment, and asked her to make this
21. appropriation out of Federal monies, Public Law 94-142 monies,
22. rather than State General Revenue Fund monies. Now, the
23. Illinois Office of Education initiated a contact with the Federal
24. Government to try to get some determination from them as to
25. whether or not it would be permitted to use Public Law 94-142
26. monies for this purpose. The Federal Government might view
27. this as supplanting. My only objection to this procedure is that
28. if the Bureau of the Budget is going to ask any Legislator to
29. put on an amendment to a bill like this, it seems to me that
30. it's up to the Bureau of the Budget to first do their homework,
31. to go to the Federal Government, to get some sort of determination
32. as to whether or not the appropriate Federal Fund can be used,
33. and it seems to me with the Bureau of the Budget unwilling to

1. do their homework ahead of time to come to the Appropriations
2. II Committee and give us some definitive answer that we are
3. jeopardizing this program by not knowing ahead of time if the
4. Federal Government will go along with it. It's not a great
5. deal of money, it is an important program, and I think we can
6. afford to appropriate the one hundred and fifty-one thousand dollars
7. out of General Revenue Funds. I ask for the adoption of
8. Amendment No. 4.

9. PRESIDENT:

10. All right, Senator Rhoads has moved the adoption of
11. Amendment No. 4. Any discussion? Senator Buzbee.

12. SENATOR BUZBEE:

13. Thank you, Mr. President. A question of the sponsor.

14. PRESIDENT:

15. Indicates he'll yield. Senator Buzbee.

16. SENATOR BUZBEE:

17. I agree with your intent, Senator, but my explanation
18. says that it strikes everything after the enacting clause of House
19. Bill 2790, and then inserts your hundred and fifty thousand
20. dollar amendment, if we do that we're just going to kill...
21. that's what my explanation says. I'm just asking you if that
22. is in fact what it's doing.

23. PRESIDENT:

24. Senator...Senator Rhoads.

25. SENATOR RHOADS:

26. Here's the amendment, Senator. We amend House Bill 2790,
27. on page 1, by deleting all of lines 11 through 14 of the amendment,
28. and inserting in lieu thereof the following, and then we go with
29. Section 1, the sum of one hundred and fifty-one thousand or so
30. much thereof as may be necessary as appropriated to the State
31. Board of Education, from the General Revenue Fund, for a residential
32. program to assist deaf children, severe behavioral disorders. So,
33. I don't believe that your...that your analysis is correct.

1. PRESIDENT:

2. Senator Buzbee.

3. SENATOR BUZBEE:

4. Yes, thank you. Well, I just wanted...I wanted to make
5. sure, because I didn't think it was your intention to kill
6. everything we just did for Director Franson, and I support your
7. amendment, and think that it's a good idea.

8. PRESIDENT:

9. Further discussion? Senator Regner.

10. SENATOR REGNER:

11. Well, Mr. President, and members. This is my bill, and I would
12. just like to comment on this approach. Office of Education did
13. run this program last year with Federal funds they received.
14. Now,...they now would like the program run out General Revenue
15. funds so that more Federal funds could be available in their
16. office to do with as they please, in other words programs
17. they may feel is more important, and of course the Governor
18. would rather have it out of Federal funds, rather than General
19. Revenue funds, because he would like to have a little extra money
20. left to play with. So, take your pick, vote which ever way
21. you want. If you want the Office of Education to have a
22. little extra money vote for Senator Rhoads's amendment. If
23. you want the Governor to have a little extra money vote against
24. it.

25. PRESIDENT:

26. Further discussion? Senator Berman.

27. SENATOR BERMAN:

28. Thank you, Mr. President. I stand in support of Senator
29. Rhoads's position on behalf of this amendment. The Federal
30. money that Senator Regner referred to is a different fund that
31. is still flowing to this agency, and so that it would be really
32. a shift of purposes to allow the bill to remain as is. It should
33. be amended, and the money is still available I am told from

1. Federal funds, but it's not 94-142 money, it's 89-313 money,
2. if that makes any sense to anybody, I'm not sure, but the
3. amendment should be adopted.

4. PRESIDENT:

5. All right. Any further discussion? Senator Rhoads, do you
6. wish to close? Senator Rhoads has...moves the adoption of Amend-
7. ment No. 4 to House Bill 2790. All in favor signify by saying
8. Aye. All opposed. The Ayes have it. The amendment is adopted.
9. Further amendments?

10. SECRETARY:

11. No further amendments.

12. PRESIDENT:

13. 3rd reading. On the Order of House Bills 2nd reading,
14. House Bill 2792, Senator Martin. Read the bill, Mr. Secretary.

15. SECRETARY:

16. House Bill 2792.

17. (Secretary reads title of bill)

18. 2nd reading of the bill. No committee amendments.

19. PRESIDENT:

20. Any amendments from the Floor?

21. SECRETARY:

22. No Floor amendments.

23. PRESIDENT:

24. 3rd reading. 2794, Senator Schaffer. On the Order of House
25. Bills 2nd reading, House Bill 2794. Read the bill, Mr. Secretary.

26. SECRETARY:

27. House Bill 2794.

28. (Secretary reads title of bill)

29. 2nd reading of the bill. The Committee on Appropriations II
30. offers one amendment.

31. PRESIDENT:

32. Senator Buzbee.

33. SENATOR BUZBEE:

1. Thank you, Mr. President. This amendment transfers for
2. the Department of Children and Family Services two hundred
3. and sixty-nine thousand, seven hundred dollars from the
4. foster homes and specialized foster care appropriation to the
5. Adolescent Training and Support Program. These funds are requested to
6. cover the cost of an anticipated deficit resulting from the
7. case load exceeding the estimated level in the Adolescent
8. Training and Support Program area. We are all sensitive
9. to the fact that we get a lot of pressure from back home for
10. adequate funding for foster care, however the director assures
11. us that has...that he has not had as many applications this year
12. as anticipated, and so as a result he is a little bit over
13. funded there and needs the transfer capability over to the
14. Adolescent Training and Support Program, and I would move
15. the adoption of the amendment.

16. PRESIDENT:

17. Senator Buzbee has moved the adoption of Committee Amendment
18. No. 1 to House Bill 2794. Any further discussion? If not
19. all in favor signify by saying Aye. All opposed. The Ayes
20. have it. The amendment is adopted. Further amendments?

21. SECRETARY:

22. No further amendments...committee amendments.

23. PRESIDENT:

24. Any amendments from the Floor?

25. SECRETARY:

26. No Floor amendments.

27. PRESIDENT:

28. 3rd reading. 2795, Senator Carroll. On the Order of House
29. Bills 2nd reading, House Bill 2795. Read the bill, Mr. Secretary.

30. SECRETARY:

31. House Bill 2795.

32. (Secretary reads title of bill)

33. 2nd reading of the bill. The Committee on Appropriations
I offers one amendment.

1. PRESIDENT:
2. Senator Carroll.
3. SENATOR CARROLL:
4. Thank you, Mr. President, and Ladies and Gentlemen of the
5. Senate. This is a hundred thousand dollars from the Road
6. Fund for the Court of Claims to make payments that are necessarily
7. made from the Road Fund. They have an award now that is more
8. than what they have as a balance in that fund, and we must re-
9. plenish that fund. I would move adoption of Amendment No. 1.
10. PRESIDENT:
11. Senator Carroll has moved the adoption of Amendment No.
12. 1 to House Bill 2795. Is there any discussion? If not, all
13. in favor signify by saying Aye. All opposed. The Ayes have it.
14. The amendment is adopted. Further amendments.
15. SECRETARY:
16. No further committee amendments.
17. PRESIDENT:
18. Any amendments from the Floor?
19. SECRETARY:
20. Floor Amendment No. 2 offered by Senator Berning.
21. PRESIDENT:
22. Senator Berning. Senator Berning on the Floor? Yes, let's
23. switch...are there...is there...are there more...are there more
24. amendments up there, Mr. Secretary?
25. SECRETARY:
26. No further amendments on this bill, Mr. President.
27. PRESIDENT:
28. Besides Senator Berning's?
29. SECRETARY:
30. No Sir.
31. PRESIDENT:
32. Okay.
33. SENATOR BERNING:

1. Thank you, Mr. President. Amendment No. 2, is offered
2. on behalf of Klingberg School. This is a...an agreed amount
3. between the Attorney General and the Hearing Officer for the
4. Court of Claims. The only delay is the inability of the judge
5. to actually hear the oral arguments. I think there is little
6. ...little doubt but what the court will fine for the amount as
7. agreed upon by the Plaintiff and the Attorney General, and so
8. this amendment would merely authorize the payment if the award
9. is finally made by the Court of Claims. I think it's a totally
10. justified position, it does not bind us unless the Court of
11. Claims does fine for this amount, and I would move for the adoption,
12. Mr. President. •

13. PRESIDENT:

14. Senator Berning has moved the adoption of Amendment No. 2 to
15. House Bill 2795. Any discussion? Senator Carroll.

16. SENATOR CARROLL:

17. Thank you, Mr. President, and Ladies and Gentlemen of the
18. Senate. I find it unfortunate to have to rise in opposition
19. to this amendment since I had probably started Senator Berning
20. upon this path when we knew that the Court of Claims had two
21. cases pending before it that could possibly, if signed by the
22. judges of the Court of Claims, help Klingberg in its current
23. financial bind. We were...we suggested to Senator Berning that
24. he pursue that avenue, that if act he had awards signed by
25. the court we would, in fact, appropriate the money to pay those
26. awards using this vehicle therefore giving them the money immediately,
27. in fact, I offered to sponsor such an amendment should that
28. happen. That has not happened, the hearing officer has finally
29. as I understand it, submitted a recommendation to the court, how-
30. ever the court has asked for oral arguments next week. Once
31. they have taken that posture it is no longer a question of just
32. the judges signing off on an award, they want the case argued
33. again. Since, that is the fact, I think it would be very inappropriate

1. for us to make any type of an award, we've never done it in
2. the past, nor should we be giving money to the court prior
3. to an oral argument on a case. We have no idea what the
4. outcome of that oral argument would be. It would seem to
5. me to help Senator Berning, the bank that is seeking to fore-
6. close, I'm sure, would accept that award if it were made by the
7. courts, if the court finds in favor of Klingberg, I'm sure
8. Continental would accept that as security to whatever amount
9. the award is, which would still solve your problem, although
10. they wouldn't have the cash in hand, and then we'll just have
11. to deal with it as soon as we get back in, but I...I can't
12. see how we can give money before the judge has even heard
13. arguments in the case, and since they haven't had oral arguments
14. yet, I have to oppose this.

15. PRESIDENT:

16. Any further discussion? Senator Berming, do you wish to
17. close?

18. SENATOR BERNING:

19. Thank you, Mr. President. This is a very unique case,
20. these Court of Claims suits have been pending for almost
21. three years, an inordinate delay. This has caused severe
22. hardship to this school residential school for the mentally
23. retarded, and mentally and physically disabled. They are at
24. the point of foreclosure with the bank who is carrying their
25. mortgage. The State of Illinois alone is responsible for the
26. financial problems of this school. There are about a hundred
27. and twenty-five students there. If the school closes, through
28. the foreclosure of Continental Illinois National Bank, the
29. State of Illinois will have to provide alternate care for these
30. students, and at a vastly increased amount over what we are
31. paying and what we ought to be paying Klingberg School. I think
32. it is totally justified, that we take this step now, since the
33. General Assembly will not be in Session after the Court of Claims

1. hearing next week, at least I hope, Mr. President, that we will
2. not be here after next week. So, that being the case it seems
3. that it is only a reasonable and rational procedure to take
4. this step which authorizes the payment only if the Court of
5. Claims does make this award. I think it is totally justified
6. and it may be the difference between this school being closed,
7. and our having the responsibility for these students or the
8. school being able to continue. I respectfully ask your Aye
9. vote on Amendment No. 2.

10. PRESIDENT:

11. Senator Newhouse.

12. SENATOR NEWHOUSE:

13. Mr. President, I'm sorry. I wonder if the sponsor would
14. yield to a question, I didn't intend to get...

15. PRESIDENT:

16. Indicates he'll yield. Senator Newhouse.

17. SENATOR NEWHOUSE:

18. Are you saying to us, Senator that this is an unusual
19. circumstance where a lot of youngsters would not have another
20. place to go in the absence of this kind of action?

21. PRESIDENT:

22. Senator Berning.

23. SENATOR BERNING:

24. Yes, Senator, there are between a hundred and a hundred
25. and twenty-five children in this establishment. They are being
26. provided with twenty-four hour day, round the clock wide awake
27. care including highly sophisticated electronic surveillance during
28. the evening hours. You may recall that there were two children
29. froze to death having wandered out of their institution here
30. last winter. That could never happen in this institution. We
31. have before us this small effort to prevent the closing of
32. this school, and I think that we ought to take this step just so
33. that we can make this payment, and hopefully in that way prevent the

1. Continental Illinois National Bank from foreclosing. I'm sure
2. that if they saw this money coming to them, they would then
3. not proceed with the foreclosure, and I will have to admit Senator,
4. that that is somewhat of a conjecture, but Continental has
5. been tolerant and with the availability of additional funds, I'm
6. sure that they would forestall.

7. PRESIDENT:

8. Senator Newhouse.

9. SENATOR NEWHOUSE:

10. Thank you, Mr. President, and thank you, Senator. The
11. reason I asked was because I...I want to support you, and what
12. I see is a move toward a very humane posture, and I'm delighted
13. to welcome you to our side in that respect. There are exceptions
14. to the rules and there are very devastating circumstances under
15. which we ought to act, and they come much more often than I think
16. many of us realize. I want to welcome you to the club, Senator,
17. and I'm going to support you.

18. PRESIDENT:

19. Further discussion? Senator Walsh.

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(END OF REEL)

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33.

1. SENATOR WALSH:

2. Mr. President, and members of the Senate. Just to emphasize
3. the point made by Senator Berning, that this...this appropriation
4. would be disbursed to the school only in the event an
5. award is made by the Court of Claims. So, you know, we are
6. taking this unusual action, possibly, but it is only because of the
7. emergency situation, and the disburse will be made only if the
8. Court of Claims makes the award. Now, if this is not done, and
9. we wait until the...the normal course of events next year, and
10. make our appropriation, the school probably would not get the
11. money until sometime next Fall, maybe as long as a year from
12. now. So, I would hope the membership would support the Senator's
13. motion.

14. PRESIDENT:

15. Further discussion? All right, Senator Berning has moved the
16. adoption of Amendment No. 2 to House Bill 2795. All in favor
17. signify by saying Aye. All opposed. The Ayes have it. The
18. amendment is adopted. Further amendments?

19. SECRETARY:

20. No further amendments.

21. PRESIDENT:

22. 3rd reading. 2797, Senator Nimrod. On the Order of House
23. Bills 2nd reading, House Bill 2797. Read the bill, Mr. Secretary.

24. SECRETARY:

25. House Bill 2797.

26. (Secretary reads title of bill)

27. 2nd reading of the bill. The Committee on Appropriations I offers
28. one amendment.

29. PRESIDENT:

30. Senator Carroll.

31. SENATOR CARROLL:

32. Thank you, Mr. President, and Ladies and Gentlemen of
33. the Senate. This is a reduction in the request, in as much as

1. some of the inspectors, for example, in Public Water Supply are
2. not expected to be making inspections until 1990, it was felt
3. that they didn't need all the money in 1980. There was also
4. a request in here to put back some money that was specifically
5. taken out by the General Assembly during the Regular Session
6. that ended in June. There was also one award of forty thousand
7. dollars, that no one has been able to explain, that they were
8. seeking forty thousand dollars to develop procedures to accommodate
9. prevention of significant deterioration with respect to various
10. methods of increment allocations and we felt that without
11. any idea of what that was we should not be so funding. I would
12. move adoption of Amendment No. 1.

13. PRESIDENT:

14. Senator Carroll has moved the adoption of Amendment No.
15. 1 to House Bill 2797. Any discussion? Senator Nimrod.

16. SENATOR NIMROD:

17. Yes, thank you, Mr. President. Senator Carroll. On...
18. on that one forty thousand dollar item, I did talk to the
19. director, and he is preparing some information, and maybe we
20. can move this to 3rd reading, and then if that information is
21. adequate we can bring it back tomorrow so we don't delay the bill.
22. Thank you.

23. PRESIDENT:

24. That apparently is agreeable. Senator Carroll has moved
25. the adoption of Committee Amendment No. 1 to House Bill 2797.
26. Any further discussion? If not, all in favor signify by saying
27. Aye. All opposed. The Ayes have it. The amendment is adopted.
28. Further amendments?

29. SECRETARY:

30. No further committee amendments.

31. PRESIDENT:

32. Any amendments from the Floor?

33. SECRETARY:

Amendment No. 2 offered by Senator Gitz.

1. PRESIDENT:

2. Senator Gitz was in the podium, he's right here. He was
3. transacting State business in another office. All right, before
4. the Body is Amendment No. 2...Floor Amendment No. 2 offered by
5. Senator Gitz. Senator Gitz.

6. SENATOR GITZ:

7. Thank you, Mr. President, and members of the Senate.
8. Amendment No. 2 is a proviso that arose out of our hearings on
9. this bill yesterday. In response to direct questioning on the
10. issue of chlorination it was pointed out that yes, this Federal
11. money, and these inspectors would be used to enforce that mandated
12. cell. I would call to your attention, that last Spring, by a
13. vote of some 47 to 10, this Body sent to the House a bill which
14. is still on their Calendar, prohibiting chlorination in cases
15. where you have communities under ten thousand, which have a proven
16. record of safety in their water supply. We'll...passed that over-
17. whelmingly, and at this moment we have a number of communities
18. in Northern Illinois that are very small, there are hamlets of
19. safe water, which are presently in litigation, resisting that
20. mandate. I realize that this...of substantive language in an appro-
21. priation bill. The reason I would ask for your support of this
22. amendment is that I think that there are a large number of people
23. in this Body who have consistently pointed out issues to the
24. Enviromental Protection Agency, that they would like them to be
25. accountable for, and look at, and they have ingored us. This
26. amendment is a message to them. It does not restrict them in
27. any way from making regular inspections, but it very clearly
28. underscores the message that we sent in passing Senate Bill 1404,
29. and I would respectfully ask for its adoption.

30. PRESIDENT:

31. Any further discussion? Senator Sommer.

32. SENATOR SOMMER:

33. Mr. President, and members. This amendment is indeed substantive,
it reads for a number of lines, and apparently is an attempt to enact

1. legislation along the lines of a bill that failed in the Fall
2. that was a substantive bill. On there...and there's no money
3. in this, and it apparently carries forward somebody's program
4. in concern about...chlorinating water. I think it's certainly
5. out of place on this appropriation bill, and should be studied
6. in the House or whatever would happen over there, and the issue
7. itself addressed over there. It is certainly substantive language
8. and would be invalid if it went down to the Governor.

9. PRESIDENT:

10. Any further discussion? If not, Senator Gitz has moved the
11. adoption of Amendment No. 2 to House Bill 2797. A roll call has
12. been requested. Those in favor of the amendment will vote Aye.
13. Those opposed will vote Nay. The voting is open. Have all voted
14. who wish? Have all voted who wish? Have all voted who wish?
15. Take the record. On that question, the Ayes are 25, the Nays are
16. 24. None Voting Present. Amendment No. 2 is adopted. Further
17. amendments. Yes, Senator Buzbee for what purpose do you arise?
18. Senator Buzbee.

19. SENATOR BUZBEE:

20. I'm going to make a request of the Chair, Mr. President.
21. I would request that the Chair rule as to whether that amend-
22. ment we just adopted is, in fact, substantive or not, and if
23. it is...and if it's in the proper place.

24. PRESIDENT:

25. That, I'm afraid, comes too late. All right, Senator Sommer
26. has requested a verification. Will the members please be in their
27. seat. The Secretary will read the affirmative votes.

28. SECRETARY:

29. The following voted in the affirmative: Berman, Bruce, Chew,
30. Collins, D'Arco, Daley, Demuzio, Geo-Karis, Gitz, Hall, Johns,
31. Jeremiah Joyce, Jerome Joyce, Knuppel, Lemke, McLendon, Merlo,
32. Nash, Nedza, Nega, Netsch, Newhouse, Vadalabene, Washington, Mr.
33. President.

1. PRESIDENT:
2. Senator Sommer.
3. SENATOR SOMMER:
4. Senator Netsch.
5. PRESIDENT:
6. Senator Netsch on the Floor? Senator Netsch on the Floor?
7. Strike her name from the roll, Mr. Secretary. The roll has
8. been verified. On that question, the Ayes are 24, the Nays
9. are 24. The amendment fails. Further amendments?
10. SECRETARY:
11. No further amendments.
12. PRESIDENT:
13. 3rd reading. 2798, Senator Graham. On the Order of House
14. Bills 2nd reading, House Bill 2798. Read the bill, Mr. Secretary.
15. SECRETARY:
16. House Bill 2798.
17. (Secretary reads title of bill)
18. 2nd reading of the bill. The Committee on Appropriations I offers
19. one amendment.
20. PRESIDENT:
21. Senator Carroll.
22. SENATOR CARROLL:
23. Thank you, Mr. President, and Ladies and Gentlemen of the
24. Senate. This amendment would bring down the authorization level
25. to a lower level than some of the component parts would like. We
26. would like to put this on with the understanding that we'll move
27. the bill along, bring it back tomorrow to make the corrective
28. amendments after some of the issues have been more resolved. I
29. would move adoption of Amendment No. 1.
30. PRESIDENT:
31. Senator Carroll has moved the adoption of Committee Amendment
32. No. 1 to House Bill 2798. Is there any discussion? Senator Graham.
33. SENATOR GRAHAM:

1. SENATOR GRAHAM:

2. Yes, with all due respect to the genial Gentleman from
3. Chicago. I will, of course, accept the fact that whatever
4. I did on this amendment probably wouldn't be successful anyway
5. in resisting it. I am hopeful though, Senator Carroll, that there
6. will be some accommodations made, because I think this amendment
7. in its current state is too severe, and will be crippling to
8. it. So, in that event I want this bill up to 3rd reading, so
9. we can work on it again tomorrow, and I will work on that amendment
10. at that time.

11. PRESIDENT:

12. All right, Senator Carroll has moved the adoption of Committee
13. Amendment No. 1 to House Bill 2798. Any further discussion? If
14. not, all in favor signify by saying Aye. All opposed. The
15. Ayes have it. The amendment is adopted. Further amendments?

16. SECRETARY:

17. No further committee amendments.

18. PRESIDENT:

19. Any amendments from the Floor?

20. SECRETARY:

21. Amendment No. 2 offered by Senator Carroll.

22. PRESIDENT:

23. Senator Carroll.

24. SENATOR CARROLL:

25. Since we worked very fast, Senator Graham, here's the
26. corrective amendment, that which we already filed. This
27. will produce corrections back up to the level they want
28. education, et cetera, while it's still a reduction in the authorization
29. request, it funds everything that had, in fact, been signed by the
30. Governor during the Spring Session. I would move adoption of
31. Amendment No. 2.

32. PRESIDENT:

33. Senator Carroll has moved the adoption of Amendment No. 2 to

1. House Bill 2798. Is there any discussion? If not, all in
2. favor signify by saying Aye. All opposed. The Ayes have it.
3. The amendment's adopted. Any further amendments?
4. SECRETARY:
5. No further amendments.
6. PRESIDENT:
7. 3rd reading. Senator Rhoads on the Floor? 2799. On the
8. Order of House Bills 2nd reading, is House Bill 2799. Read the
9. bill, Mr. Secretary.
10. SECRETARY:
11. House Bill 2799.
12. (Secretary reads title of bill)
13. 2nd reading of the bill. No committee amendments.
14. PRESIDENT:
15. Any amendments from the Floor?
16. SECRETARY:
17. No Floor amendments.
18. PRESIDENT:
19. 3rd reading. 2800, Senator Philip. Senator Philip, on the
20. Order of House Bills 2nd reading, House Bill 2800. Read the bill,
21. Mr. Secretary.
22. SECRETARY:
23. House Bill 2800.
24. (Secretary reads title of bill)
25. 2nd reading of the bill. No committee amendments.
26. PRESIDENT:
27. Any amendments from the Floor?
28. SECRETARY:
29. No Floor amendments.
30. PRESIDENT:
31. 3rd reading. 2804, Senator Carroll. On the Order of House
32. Bills 2nd reading, bottom of page 2, is House Bill 2804. Read the
33. bill, Mr. Secretary.

1. SECRETARY:
2. House Bill 2804.
3. (Secretary reads title of bill)
4. 2nd reading of the bill. No committee amendments.
5. PRESIDENT:
6. Any amendments from the Floor?
7. SECRETARY:
8. No Floor amendments.
9. PRESIDENT:
10. 3rd reading. Top of page 3, on the Order of House Bills
11. 2nd reading, House Bill 2805. Read the bill, Mr. Secretary.
12. SECRETARY:
13. House Bill 2805.
14. (Secretary reads title of bill)
15. 2nd reading of the bill. The Committee on Appropriations I offers
16. two amendments.
17. PRESIDENT:
18. Senator Carroll.
19. SENATOR CARROLL:
20. Thank you, Mr. President, and Ladies and Gentlemen of the
21. Senate. Amendment No. 1 is for the Inheritance Tax distributive
22. fund to pay back to the counties, and I would move adoption of
23. Amendment No. 1.
24. PRESIDENT:
25. Senator Carroll has moved the adoption of Amendment No. 1
26. to House Bill 2805. Is there any discussion? If not, all in
27. favor signify by saying Aye. All opposed. The Ayes have it.
28. The amendment is adopted. Further amendments?
29. SECRETARY:
30. Committee Amendment No. 2.
31. PRESIDENT:
32. Senator Carroll.
33. SENATOR CARROLL:

1. Thank you, Mr. President, and Ladies and Gentlemen of
2. the Senate. This is, in effect, a transfer bill for the Criminal
3. Sentencing Commission, which is in its first year of operation
4. to change some money from personal services to contractual at
5. the request of the Chairman of that commission. I would move
6. adoption of Amendment No. 2.

7. PRESIDING OFFICER: (SENATOR BRUCE)

8. Senator Carroll moves the adoption of Amendment No. 2.
9. Is there discussion on the motion? All in favor say Aye. Opposed
10. Nay. The Ayes have it. Amendment No. 2 is adopted. Are there
11. further amendments?

12. SECRETARY:

13. No further committee amendments.

14. PRESIDING OFFICER: (SENATOR BRUCE)

15. Are there amendments from the Floor?

16. SECRETARY:

17. Amendment No. 3 offered by Senator Sommer.

18. PRESIDING OFFICER: (SENATOR BRUCE)

19. Senator Sommer is recognized on Amendment No. 3.

20. SENATOR SOMMER:

21. Mr. President, and members. This is an amendment in the area
22. of four million six hundred thousand dollars, that funds various
23. items that were passed by the General Assembly within the last
24. few months. It's a request of the Governor and the Department
25. of Revenue.

26. PRESIDING OFFICER: (SENATOR BRUCE)

27. Is there discussion of the amendment? Senator Carroll.

28. SENATOR CARROLL:

29. Thank you, Mr. President, and Ladies and Gentlemen of the
30. Senate. While I'm not in accord with all of the parts of this
31. amendment, and the dollar levels they are at, since, I am the
32. sponsor of the bill, it makes it a little bit easier to let
33. Senator Sommer put it on at this time, we will be bringing it back
tomorrow for corrective amendments, and I would second Senator

AB 2811
2nd reading
11-7-1978

1. Sommer's motion at this time to adopt Amendment No. 3.
2. PRESIDING OFFICER: (SENATOR BRUCE)
3. Further discussion? Senator Regner.
4. SENATOR REGNER:
5. Question of the sponsor?
6. PRESIDING OFFICER: (SENATOR BRUCE)
7. Indicates he will yield. Senator Regner.
8. SENATOR REGNER:
9. Senator Sommer, does this contain a million and a half
10. dollars for the Department of Revenue to collect the discriminatory
11. unfair, twenty percent tax increase of Governor Thompson and
12. Mayor Byrne, that passed a couple of months ago?
13. PRESIDING OFFICER: (SENATOR BRUCE)
14. Senator Sommer.
15. SENATOR SOMMER:
16. Yes, we don't find it...discriminatory downstate.
17. however, Senator Regner.
18. PRESIDING OFFICER: (SENATOR BRUCE)
19. Senator Regner.
20. SENATOR REGNER:
21. Well, those of us that find it discriminatory, certainly think
22. we should oppose this amendment.
23. PRESIDING OFFICER: (SENATOR BRUCE)
24. Further discussion? The question is on the adoption of
25. Amendment No. 3. All in favor say Aye. Opposed Nay. On the
26. opinion of the Chair, the Ayes have it, and Amendment No. 3 is...
27. is adopted. Is there a request for a roll call? Hearing none,
28. the amendment is adopted. Further amendments?
29. SECRETARY:
30. No further amendments.
31. PRESIDING OFFICER: (SENATOR BRUCE)
32. 3rd reading. House Bill 2811, Senator Shapiro. Read the
33. bill, Mr. Secretary, please.
SECRETARY:

1. House Bill 2811.

2. (Secretary reads title of bill)

3. 2nd reading of the bill. The Committee on Finance and Credit
4. Regulations offers three amendments.

5. PRESIDING OFFICER: (SENATOR BRUCE)

6. Senator Shapiro, will you be explaining the Committee
7. Amendments?

8. SENATOR SHAPIRO:

9. Well, Mr. President, I did not offer the Committee Amendments.

10. PRESIDING OFFICER: (SENATOR BRUCE)

11. Can someone...enlighten the Chair as to who offered Amendment
12. No. 1, in the committee? Amendment No. 1 deals with changing
13. twelve percent to nine percent. Senator Carroll is recognized
14. on Amendment No. 1.

15. SENATOR CARROLL:

16. Thank you, Mr. President, and Ladies and Gentlemen of the
17. Senate. One of the interesting things we found in this bill,
18. when it came over from the House, was a section that no one had
19. talked about, and this is General Interest Rates not involving
20. financial institutions, not involving savings and loans or banks,
21. but apparently between individuals, and there, the House, by Floor
22. amendment, raised that rate from eight percent to twelve percent.
23. Apparently without much debate, we have not yet found a reason,
24. my suggestion of amending it down to nine percent, was to try and
25. find out, at least, what it was all about. No one in committee
26. really said anything, and none of the witnesses who were there
27. particularly knew or cared about that section of the General
28. Interest Rates, so the amendment would say that if there is to
29. be an increase at all in that Interest Rate, that a friend charges
30. a friend, and not through any type of financial institutions, that
31. it should only be a raise from eight percent to nine percent and
32. not a fifty percent raise. I would move adoption of Amendment
33. No. 1.

1. PRESIDING OFFICER: (SENATOR BRUCE)

2. Is there discussion? For what purpose does Senator Knuppel
3. arise?

4. SENATOR KNUPPEL:

5. Mr. President, this would be discriminatory in favor of
6. the Shylocks. If a friend loans you money, you know there's
7. an old expression. You know, you lose the money, and you lose the
8. friend. So, damn it, it ought to be worth twelve percent, and
9. I just sold a piece of property, and if the loan companies gets
10. twelve percent, Knuppel ought to get twelve percent.

11. PRESIDING OFFICER: (SENATOR BRUCE)

12. Further discussion? Senator Kenneth Hall.

13. SENATOR HALL:

14. I...I was just going to ask where the amendments are? I
15. have two...did you mention there were three?

16. PRESIDING OFFICER: (SENATOR BRUCE)

17. There are three...they are committee amendments, Senator
18. Hall and they will not have been distributed to the members on
19. the Floor.

20. SENATOR HALL:

21. Well, then I was trying to look and see what we had there,
22. this is a very serious bill here, and I...that, I'm sorry Senator,
23. I was asking for the bill, and I didn't hear your explanation.
24. Are you reducing the amount? Well, I'm ready to reduce anything.

25. PRESIDING OFFICER: (SENATOR BRUCE)

26. All right, Senator Shapiro.

27. SENATOR SHAPIRO:

28. Well, Mr. President, and Ladies and Gentlemen of the Senate.
29. There was some confusion on this particular section of the bill
30. as it came over from the House yesterday, and it was adopted on
31. a partisan roll call 7 to 4. I want to point out to you that in
32. the confusion, an explanation, believe it or not, was given by
33. a banker that this particular section just involved personal
loans, between individuals, but I think if you read the bill, Section

1. 4, and lines 12 and 13, you'll see that it goes beyond that
2. particular point, and it says owing from any person to any
3. other person, or corporation in this State. Now, I contend
4. that that means more than just a loan between individuals, that
5. it could mean a loan between an individual and a corporation, which
6. is a bank, or between a corporation and another corporation.
7. Furthermore, it has been explained to me, that this particular
8. section applies to any type of bank loan excepting those which
9. are exempt from the eight percent usury limitation, and when the
10. House placed this amendment, in raising the usury limitation
11. from eight to twelve percent, they were attempting to deal
12. with the type of loan that an individual can make with a bank other
13. than a savings and loan...real estate mortgage, which is exempt,
14. an automobile loan, which is exempt, so on, and so forth. So,
15. I think it lieu of the fact that the meaning of this particular
16. section that the House passed, is more clear to me this morning
17. than it was yesterday, that I am going to rise to oppose the
18. adoption of Amendment No. 1 to House Bill 2811, and, in fact,
19. what this...leaving at twelve percent, actually raises the usury
20. limitation for personal loans, and it goes beyond just loans between
21. individuals.

22. PRESIDING OFFICER: (SENATOR BRUCE)

23. Is there leave for AP and UPI to take still photographs?
24. Leave is granted. Is there further discussion? Is there further
25. discussion? Senator Carroll.

26. SENATOR CARROLL:

27. Thank you, Mr. President. A couple of things, first of all,
28. of course, as Senator Shapiro well knows, business loans are exempt
29. from the General Interest Rates, and therefore can charge that
30. which they wish to charge. The reasons you've stated are interesting...
31. I find it interesting that it was tacked on to this bill, that
32. has a subject matter different from this, that has been well debated.
33. The first time we heard anything at all about this section, was
when I offered the amendment yesterday, and quite frankly, I think

1. you and others were surprised that the section was in there,
2. although I cast no aspersions by that statement. I don't think
3. anybody had seen this, and I think this was a sleeper that was
4. put on by the House. I'm not comfortable with a fifty percent
5. raise in the General Interest Rates that do not apply to business
6. loans, home loans, car loans, or any other such transaction. I
7. think it is a ridiculous thing to let that slip by, and let
8. there be no testimony or reason for so giving. The purpose
9. of nine percent was to say very arbitrarily, if there is some
10. reason for a raise, so be it, let's hear more about it. I'm
11. more comfortable with leaving it at eight, but the amendment
12. brings it back down to nine, at least, in the hopes of finding
13. out what it was all about, which I still think we have not done,
14. and I would again move adoption of Amendment No. 1.

15. PRESIDING OFFICER: (SENATOR BRUCE)

16. The motion is to adopt. All in...request for a roll call?

17. SENATOR CARROLL:

18. I don't know.

19. PRESIDING OFFICER: (SENATOR BRUCE)

20. All in favor say Aye. Opposed Nay. The Chair requests a
21. roll call. Those in favor will vote Aye. Those opposed will vote
22. Nay. The voting is open. Have all voted who wish? Have all
23. voted who wish? Take the record. On that question, the
24. Ayes are 29, the Nays are 26. 1 Voting Present. Amendment No.1
25. to Hcuse Bill 2811 is adopted. Amendment No...Amendment No. 2.

26. SECRETARY:

27. Committee Amendment No. 2.

28. PRESIDING OFFICER: (SENATOR BRUCE)

29. For what...Senator Carroll, to explain Amendment No. 2.

30. SENATOR CARROLL:

31. Yes, apparently one of the other sections that was added
32. by the House, which is needed, is one that deals with the tax...
33. anticipatory warrants, issued by public corporations, meaning your
school boards, et cetera. The language adopted in the House for several

1. reasons does not do the job, and they've asked us to look
2. it over, and we have made the following changes. It would
3. now provide for, as it does nine percent...the greater of,
4. either nine percent or seventy percent of the prime rate of
5. the major bank in the State at the time of contract, and that's
6. prime rate as announced. The artful language used by the House,
7. was just not usable and therefore there were some corrections
8. that had to be made. While, there is many of us who are not
9. comfortable in letting any one bank set this, especially since
10. prime rate is nothing official, but merely an announcement, we
11. have, however, yet been able to find anything else that all the
12. financial institutions, bond councils, underwriters, and everyone
13. else will agree to, such as pegging it to one of the Federal rates,
14. or using three banks, and trying to strike an average or anything
15. else. So, in order to solve the immediate problem, this would
16. allow them to go with the greater of nine percent or seventy
17. percent of the announced prime at time of contract, as announced
18. by the largest commercial bank in the State, and I would move
19. adoption of Amendment No. 2.

20. PRESIDING OFFICER: (SENATOR BRUCE)

21. The motion is to adopt Amendment No. 2. Is there discussion?
22. Senator Bloom.

23. SENATOR BLOOM:

24. Thank you, Mr. President. I rise in opposition to this,
25. because I'm not entirely comfortable with hanging this around
26. Continental Bank's neck. It...it seemed to me that in the
27. discussion there was generated in committee, it came out that
28. basically what is happening here is that there's kind of a dis-
29. agreement, between Chapman and Cutler and some other law
30. firm, and somehow the General Assembly gets stuck in the middle,
31. and basically what we're going to end up with is, the largest
32. bank in the State setting this rate and it will probably, ultimately
33. be costing units of local government more money for tax anticipation
notes. I'd suggest that perhaps we lay off on this.

1. PRESIDING OFFICER: (SENATOR BRUCE)

2. Further discussion? Senator Wooten.

3. SENATOR WOOTEN:

4. Just a question of Senator Bloom. I, you know, agree with
5. what you say, but the amendment in that part simply, as I
6. recall it, I don't have it in front of me, rephrases what is in
7. the House Bill, that if we reject the amendment, you've still
8. got Continental in the picture, because I believe that's the...
9. it is not...is not the largest commercial bank, I thought that
10. language was intact.

11. PRESIDING OFFICER: (SENATOR BRUCE)

12. Senator Bloom.

13. SENATOR BLOOM:

14. Oh, it is indeed, I guess for the same reasons that this
15. Body chose to adopt Amendment No. 1, I...you know, there's no
16. discussion of this in the House, and it came to light yesterday.
17. Perhaps Senator Weaver could add something to the discussion,
18. I see his light flashing.

19. PRESIDING OFFICER: (SENATOR BRUCE)

20. Senator Wooten.

21. SENATOR WOOTEN:

22. Just to pursue this, and I do apologize for not having
23. a copy in front of me, it is a committee amendment, but Senator
24. Bloom...Senator Bloom, is not the language that picks out
25. Continental in the bill, without the amendment, in other words
26. I don't think Senator...well I suggest...when I looked at the bill
27. in committee yesterday, and the language that singles out Continental
28. I thought, was in the House Bill, and Senator Carroll assures me
29. it is.

30. PRESIDING OFFICER: (SENATOR BRUCE)

31. Well, Gentlemen, I don't want to intercede here, but this
32. is not Senator Bloom's amendment, and under our proceedings your
33. questions would be more appropriately directed to the sponsor
of the amendment, Senator Wooten.

1. SENATOR WOOTEN:

2. Well, I was...since he brought up the point that we ought
3. to reject the amendment on the grounds that it identifies
4. Continental, I wanted to question him where he got that, because
5. it's...it seems to me the original bill does that.

6. PRESIDING OFFICER: (SENATOR BRUCE)

7. Senator Bloom.

8. SENATOR BLOOM:

9. Well, let me respond. This language came in that bill,
10. as I understand it, according to staff, by way of an amendment
11. in the House, with little or no discussion, and I was
12. suggesting that the General Assembly gets caught in the cross
13. fire between bond councils, and I don't think that that's
14. necessarily proper.

15. PRESIDING OFFICER: (SENATOR BRUCE)

16. Further discussion? Senator...Gentlemen we're going to
17. have to get back...if we're going to have these many questions,
18. we're going to have to get back into an orderly procedure
19. of questions and comments. For what purpose does Senator
20. Buzbee arise?

21. SENATOR BUZBEE:

22. On a point...on a point of order, Mr. President. Would
23. this not be the appropriate time for us to lift our one minute
24. debate rule, because this is something that I don't understand,
25. and I'd like to know what the heck is going on.

26. PRESIDING OFFICER: (SENATOR BRUCE)

27. Senator Buzbee, Senator Donnewald's one minute rule only
28. lasted until June 30th, and we are now back on a three minute
29. debate rule. Senator Buzbee.

30. SENATOR BUZBEE:

31. Well, perhaps the time has come to lift the three minute
32. debate rule, because I'd...Senator Wooten is getting at a point
33. that I have a lot of interest in, and I'd like to know what's...
what the issue is.

1. PRESIDING OFFICER: (SENATOR BRUCE)

2. Well, I...the Chair has not precluded Senator Wooten from
3. continuing. Senator Wooten.

4. SENATOR WOOTEN:

5. All right, my whole point is, that Senator Bloom you're...
6. you raise a very good point, but it doesn't seem to me that this
7. amendment addresses that point, it doesn't change that element
8. in the bill. Now, if you have an amendment to take Continental
9. out, then that's something I'd like to hear about. What this
10. does is change the percentage as I recall, and if you're...you
11. know if your opposition to the amendment is based on the fact
12. that Continental is in it, I don't think that is a valid basis.
13. Now, if there's something wrong with the percentage increase, I'd
14. be very interested in hearing about that, but as it doesn't change
15. Continental's presence in the bill, if we don't adopt the amendment
16. they're still in, that the figure is sixty percent instead of
17. seventy percent. So, I...I don't think that that would be the
18. basis of...a rational basis of opposition, Senator. If there's
19. something wrong with the percentage, then I'd like to hear about
20. that.

21. PRESIDING OFFICER: (SENATOR BRUCE)

22. All right, the following Senators have sought recognition
23. of the Chair, Senators Weaver, Rock, Demuzio, Buzbee, Ozinga,
24. Nash and Hall, and Gitz, all right. Senator Weaver is recognized.

25. SENATOR WEAVER:

26. Thank you, Mr. President. Well, I stand in opposition to
27. the amendment. Senator Carroll, there was only one public
28. corporation that appeared before the committee to increase these
29. charges, and until there's a hue and cry from municipal governments
30. State-wide or public corporations to raise these rates so drastically
31. I think we should get more testimony on it, similar to your
32. argument on the last amendment. So, I would...I would stand in
33. opposition to this.

1. PRESIDING OFFICER: (SENATOR BRUCE)

2. Senator...Senator Carroll.

3. SENATOR CARROLL:

4. In response to Senator Weaver's question, the difference
5. was, of course, in this case, at least, you had testimony, you
6. had somebody there who was talking about the issue at all, and the
7. last amendment there was nobody there at all who even knew what
8. or why it was offered. Now, you know, now that the issue is
9. focused I can see where your side is coming from, and if you
10. prefer to wait until pressure can be brought to bear on you by
11. your local, whoever sells anticipatory warrants, I don't think
12. we should react only in crises. However, there are some other
13. things in response and I might as well do it now, Senator
14. Bloom, as opposed to a close. This is the way the bill came
15. over from the House, as far as identifying that there is only one
16. financial institution to whom you look for prime rate. The problem
17. with the House wording was, first of all they said the prime
18. as offered, instead of as announced. Now, the offering is not
19. a word of art that's acceptable, they don't offer prime they
20. may offer over or under or whatever, they do announce on a weekly
21. basis what their prime shall be. There were many of us who prefer
22. using an average of three financial institutions announced prime
23. or pegging it to some Federal chart, that's easily published. The
24. immediate problem we had, is when you take the three you have to
25. pick a time certain...not the contract date, but sometime before the
26. contract date to peg that figure, so that you can then make an
27. offering based on a determined prime, and you have to certify that.
28. We thought of giving that to the bank commissioner for example, and
29. I'm sure I'm...I'm telling you more than any of you really want
30. to know, but if you vended that, you'd have at least enough of
31. a gap to let the Commissioner of Banks certify that that was the
32. announced prime by those three institutions, et cetera, et cetera,
33. et cetera. We could not get an agreement from the Commissioner's
Office from the banks, from the bond council, from the offering

1. houses as to what would actually work, and it was felt therefore,
2. since the need was immediate, and since other states have offered
3. issues at higher rates than would otherwise be allowed, if we don't
4. pass this amendment, that we then go with this for now, and try and
5. find an acceptable pegging mechanism in the Spring.

6. PRESIDING OFFICER: (SENATOR BRUCE)

7. Further discussion? Senator Rock.

8. SENATOR ROCK:

9. Yes, thank you, Mr. President, and Ladies and Gentlemen of
10. the Senate. I frankly don't fully comprehend the opposition from
11. the other side, this amendment...this concept was thoroughly discussed
12. in the House, and the idea is, that currently a public corporation
13. who wishes to float bonds or have some tax anticipation warrants
14. is locked into an eight percent interest rate, and frankly
15. nobody's buying at that rate. They simply are unable to have these
16. issues available. So, what the House did, was that they said we'll raise
17. it to nine percent, we'll raise it to the greater of either nine
18. percent or sixty percent of the prime rate. Now, since the bill
19. has come from the House, in fact, the prime rate has gone to 15.25,
20. and sixty percent of that simply is not enough. So, by virtue of
21. this amendment we are doing two things. One, we are raising it
22. to seventy percent, and seventy percent of 15.25 is obviously
23. bigger than sixty percent of 15.25, and we are also following the
24. advice of Chapman and Cutler, with respect to one little phrase,
25. there was never any question from Chapman and Cutler or from
26. anybody else, with respect to the underlying substance of this
27. amendment. What Chapman and Cutler said was don't have it as
28. from time to time quoted, but as Senator Carroll's amendment
29. rightfully says, at the time of the contract, whatever the prime
30. is at the time of the contract, that controls. Not as from time
31. to time quoted. I think Chapman and Cutler was right for a change,
32. but they in no respect ever questioned the fact that we were pegging
33. it to the largest financial institution in the State. Peg it to
the first four largest financial institutions, it frankly doesn't

1. make any difference except for the mechanical problem of how
2. do you arrive at a number, when you're dealing with four
3. different institutions. Virtually every institution pegs
4. its prime rate to the rate announced by the largest financial
5. institution, that's just the common ordinary course of business.
6. The amendment is absolutely essential for the public entities
7. of this State if they are to continue in a cash flow situation,
8. without it they simply can't exist, and I would urge the adoption
9. of amendment No. 2.

10. PRESIDING OFFICER: (SENATOR BRUCE)

11. Further discussion? Senator Demuzio.

12. SENATOR DEMUZIO:

13. Yes, one...one brief comment. That is that several of
14. us are uncomfortable also with the largest financial institution
15. and I think Senator Carroll has echoed that as well. Perhaps
16. as a suggestion, that the combination of three or four or some
17. other magic formula could be developed, if and when this bill
18. gets into a Conference Committee you might have the opportunity
19. to come forth with the...with the solution.

20. PRESIDING OFFICER: (SENATOR BRUCE)

21. Further discussion? Senator Buzbee. Senator Ozinga.
22. Senator Nash. Senator Hall.

23. SENATOR HALL:

24. Thank you, Mr. President, and Ladies and Gentlemen of
25. the Senate. I'd be one of the first to admit that I'm confused
26. about this whole thing. As I see it the best thing that could
27. happen to this bill, is that it would never see the light of
28. day. The...but I agree with Senator Carroll, you're trying to
29. at least, operate on it a little bit, and I want to commend the
30. committee yesterday for what they've done. So, I'm going to
31. be supporting Senator Carroll.

32. PRESIDING OFFICER: (SENATOR BRUCE)

33. Further discussion? Senator Gitz. Senator Netsch.

1. SENATOR NETSCH:

2. I have one question of the sponsor, because we do not
3. have the text of the amendment in front of us. All right, does
4. it affect tax anticipation warrants, primarily, exclusively, does
5. it affect long term bonds?

6. PRESIDING OFFICER: (SENATOR BRUCE)

7. Senator Carroll.

8. SENATOR CARROLL:

9. It affects tax...anticipatory warrants only, if you look
10. at the whole section, that's not covered in the language only
11. of the amendment, but if you look at the section it's amending,
12. that deals with tax anticipatory warrants.

13. PRESIDING OFFICER: (SENATOR BRUCE)

14. Further discussion? Senator Geo-Karis.

15. SENATOR GEO-KARIS:

16. Would the sponsor yield to a question?

17. PRESIDING OFFICER: (SENATOR BRUCE)

18. He indicates he will yield. Senator Geo-Karis.

19. SENATOR GEO-KARIS:

20. Senator Carroll, if it affects tax anticipation warrants, then
21. aren't you really raising the cost to the municipal governments,
22. and to the school districts?

23. PRESIDING OFFICER: (SENATOR BRUCE)

24. Senator Carroll.

25. SENATOR CARROLL:

26. Yes, at their request.

27. PRESIDING OFFICER: (SENATOR BRUCE)

28. Senator Geo-Karis.

29. SENATOR GEO-KARIS:

30. At their request, that means there'll be more tax coming
31. from the taxpayers, therefore I rise to speak against this amendment.

32. PRESIDING OFFICER: (SENATOR BRUCE)

33. Is there further discussion? Senator Weaver, did you wish to
speak again? Senator Weaver.

1. SENATOR WEAVER:
2. Question of the sponsor.
3. PRESIDING OFFICER: (SENATOR BRUCE)
4. Indicates he will yield. Senator Weaver.
5. SENATOR WEAVER:
6. Senator Carroll.I have an amendment that is not ready yet,
7. would you be willing to go ahead and move this back tomorrow
8. for further amendments?
9. PRESIDING OFFICER: (SENATOR BRUCE)
10. Senator Carroll.
11. SENATOR CARROLL:
12. On behalf of Senator Shapiro, I would have no problem with
13. that at all.
14. PRESIDING OFFICER: (SENATOR BRUCE)
15. Senator...
16. SENATOR CARROLL:
17. If Senator Shapiro wants to let me sponsor the bill, I can
18. answer you more directly.
19. PRESIDING OFFICER: (SENATOR BRUCE)
20. Senator Shapiro. All right, he indicates that he will
21. return it, Senator Weaver, at your request. Further discussion
22. of Amendment No. 2? The question is on the adoption. All in
23. favor say Aye. Opposed Nay. Roll call. On this...on this question
24. ...on the motion to adopt. Those in favor will vote Aye. Those
25. opposed will vote Nay. The voting is open. Have all voted who
26. wish? Have all voted who wish? Take the record. On that question,
27. the Ayes are 36, the Nays are 20. None Voting Present. Amendment
28. No. 2 to House Bill 21...2811 is adopted. Further amendments?
29. SECRETARY:
30. Committee Amendment No. 3.
31. PRESIDING OFFICER: (SENATOR BRUCE)
32. Senator Demuzio, who will offer Amendment No. 3?
33. SENATOR DEMUZIO:
I think the amendment...Committee Amendment No. 3 was offered

1. by Senator Joyce, and therefore I'll yield to...to him.
2. PRESIDING OFFICER: (SENATOR BRUCE)
3. Senator Joyce is recognized. Jerome.
4. SENATOR JEROME JOYCE:
5. Yes, thank you, Mr. President. This amendment has technical
6. problems along with other problems, and...and to avoid...yes,
7. and to avoid confusion at the present time I move to Table
8. Amendment No. 3.
9. PRESIDING OFFICER: (SENATOR BRUCE)
10. The motion is to Table. Is there discussion? All in
11. favor say Aye. Opposed Nay. The Ayes have it. The motion
12. to Table prevails. Further amendments?
13. SECRETARY:
14. No further committee amendments.
15. PRESIDING OFFICER: (SENATOR BRUCE)
16. Are there amendments from the Floor?
17. SECRETARY:
18. Amendment No. 4 offered by Senator Demuzio.
19. PRESIDING OFFICER: (SENATOR BRUCE)
20. Senator Demuzio is recognized on Amendment No. 4.
21. SENATOR DEMUZIO:
22. Thank you, Mr. President. Mr. Secretary, is this the amendment
23. that changes the date to April 30th, and five percent of the index?
24. SECRETARY:
25. Right.
26. SENATOR DEMUZIO:
27. I have caused to be passed out an amendment that was in
28. error, the ones that you have on your desks show a changing of
29. the date from December 31st, of 1981, to October the 31st, of
30. 1981. However, the amendment that is on the Secretary's Desk,
31. the amendment that I am offering, changes the date, the effective
32. date from December 31, of '81 to April 30th of '81, and also
33. changes the monthly index formula which is two and a half percent,
to five percent, which, in affect, would make the total rate today

1. approximately 13.75 percent. The April 30th, 1981, would be
2. eighteen months, because of the fact that the Congress just
3. last week, the Senate, it passed a bill usurping the states that
4. have usury ceilings, and only allowing those states the opportunity
5. within a two year period to enact, or reenact ceilings. It was
6. the...it is my judgment that we ought not to give away the
7. pressure of establishing an imposing usury ceilings in this
8. State for it has shown...been shown that in other States where
9. there are no ceilings, the interest rates are higher. Therefore,
10. this would increase the maximum lawful interest rate to five
11. percent above the long term yields, which is currently in the...
12. on bonds, Government bonds, which is currently in the Statute,
13. and would have a termination date of April 30th, 1981, an eigh-
14. teen month period for enactment. I move for the adoption of this
15. amendment and be happy to answer any questions.

16. PRESIDING OFFICER: (SENATOR BRUCE)

17. Is there any discussion? Senator Geo-Karis.

18. SENATOR GEO-KARIS:

19. I'd like to...if the sponsor yield for a question?

20. PRESIDING OFFICER: (SENATOR BRUCE)

21. Indicates he will yield. Senator Geo-Karis.

22. SENATOR GEO-KARIS:

23. I...I have two amendments from you, and are you...the amend-
24. ment I have, you say...you did put an amendment on to change
25. December 31, 1981, to April 31, 1981, and is that the amendment
26. ...does that amendment also include,"there shall be no limit on
27. the rate of interest for such transactions", and inserting therein
28. "the maximum lawful rate of interest, shall be five percent above
29. such monthly index?" Thank you.

30. PRESIDING OFFICER: (SENATOR BRUCE)

31. Further discussion? Senator Bloom.

32. SENATOR BLOOM:

33. Thank you, Mr. President. I rise in opposition to this
amendment, for these reasons. First, we have to understand what

1. we are about, this is not just raising...removing the ceiling
2. on the Usury Act, we're affecting not just the thrift segment
3. of the finance industry, but we're affecting the home building
4. industry as well as that, and also the real estate business.
5. In order to insure the availability of mortgages and in the
6. construction cycle, the contractors are not going to get their
7. money loaned to them to build the houses, if there is not some
8. predictability in the availability of mortgage money for the
9. ultimate home buyer. Now, it was explained very thoroughly in
10. committee, complete with a rather pretty chart, but that was some-
11. what elusidating and has been passed out amongst you, that
12. the lead time in this, in order to insure that you can get
13. going with new starts, it's necessary to keep this ceiling off
14. through the end of 1981. I note there are amendments to then
15. cut it off in October, and so on and so forth, but as a practical
16. matter, the home builders will be unable to get their money to
17. start their new starts if the spicket gets turned off in early
18. '81, because they have to...they start their construction season
19. usually in April and they start delivering these homes the end
20. of August and in October, and September, and the mortgage money
21. has to be available then. I...I think this is ill advised, if
22. indeed, we are about trying to free up money to encourage both
23. home building as well as the real estate business, and I..I'd urge
24. both sides of the aisle to oppose these concepts that are bodies
25. in these amendments. Thank you.

26. PRESIDING OFFICER: (SENATOR BRUCE)

27. The following Senators have sought recognition, so you
28. might know where you're going to be in the batting order. Senators
29. Rock, Bowers, Shapiro, Rhoads, and Demuzio. Senator Rock is
30. recognized.

31. SENATOR ROCK:

32. Thank you, Mr. President, and Ladies and Gentlemen of the
33. Senate. I rise in opposition to Amendment No. 4. This was subject
again to some lengthy discussion in the House, and I think to reduce the

1. period of time to eighteen months simply is counterproductive.
2. We are dealing with really two different entities here, one of
3. which a major segment of which is the housing industry in this
4. State, and to try to limit them to six or twelve or eighteen
5. months simply will not work. Houses are built in different
6. quarters of the year. Commitments are issued in different quarters
7. of the year, and the full two years is...is the least that they
8. can stand. Some of us were standing for the proposition that
9. we ought to take it off altogether forever. Now, that wasn't
10. simply able practically, politically, to be passed. So, the
11. compromise was two years. Now, to come down off of that is simple
12. counterproductive. If you're going to do that we ought to just
13. leave it alone, let it where it is, and let the home building
14. industry in this State go right to pot. Housing starts in this
15. State are down seventy percent at the moment, and unless there's
16. some relief and some adequate relief, and I suggest the adequate
17. relief is a two year period, we simply are fooling ourselves. I
18. think Amendment No....for those persons who are opposed to it
19. I assume they're going to vote No whatever happens. We are
20. suggesting that we are in a crisis situation, we have to make the
21. best of a bad situation, I suggest to you, that two years is a
22. reasonable compromise position, anything less than that is counter-
23. productive, and I urge opposition to Amendment No. 4.

24. PRESIDING OFFICER: (SENATOR BRUCE)

25. Senator Bowers. All right, Senator Shapiro.

26. SENATOR SHAPIRO:

27. Well, Mr. President, and Ladies and Gentlemen of the Senate,
28. naturally I'm arising to express my opposition to this amendment.
29. Everything in this amendment was discussed and defeated...

30. PRESIDING OFFICER: (SENATOR BRUCE)

31. Excuse me, Senator Shapiro...perhaps if we could have some order.
32. Senator Shapiro.

33. SENATOR SHAPIRO:

1. ...was discussed and defeated in committee yesterday, as
2. has been pointed out, the reduction in the length of time to
3. less than two years, which is the absolute minimum that the
4. construction industry needs for lead time, in the arranging of
5. the financing, the building of the home, and the delivery to
6. the buyer is just not enough the way this amendment is constructed.
7. It removes the usury limitation that was lifted by the House,
8. and substitutes in lieu of there the maximum lawful rate of
9. interest shall be five percent above such...monthly index. Now,
10. what that means, is that these negotiable instruments will be
11. below the present market, in other words, if a savings and loan
12. institution wants to sell that to...piece of paper to another buyer,
13. they will not be able to sell that because the interest rate will
14. be too low and it will actually hamper savings and loans' ability
15. to do business and provide money to subsequent buyers who come
16. in because they will not have enough turn over in the funds
17. available for mortgage interest. This part of the...this amendment
18. was also defeated in committee, and I would urge the members of
19. the Senate to oppose the adoption of Amendment No. 4 to House
20. Bill 2811.

21. PRESIDING OFFICER: (SENATOR BRUCE)

22. Senator Rhoads.

23. SENATOR RHOADS:

24. Just a brief question of Senator Demuzio.

25. PRESIDING OFFICER: (SENATOR BRUCE)

26. Indicates he will yield. Senator Rhoads.

27. SENATOR RHOADS:

28. Senator, earlier this week you alluded to the...and you
29. did just again now in debate, you alluded to the legislation
30. passed by the United State's Senate. I didn't understand then
31. and I don't know what exactly is your...the connection that
32. you're making between that bill and the legislation here? Could
33. you go over that one more time please?

1. PRESIDING OFFICER: (SENATOR BRUCE)

2. Senator Demuzio.

3. SENATOR DEMUZIO:

4. According to the information that we have is, that the
5. Senate, by an amendment, has usurped all of the...will usurp all
6. of the usury ceilings for all of those states that have
7. usury ceilings. Two years from the enactment of that law,
8. if it comes out of Conference Committee and is signed by
9. the President, the states would have a two year period in which
10. to impose maximum...or usury limits, reinstate them, and the
11. effective date of the business and agriculture loans would be
12. July 1, 1981, and therefore the reason for this April termination
13. date here, would be should that pass, that this would certainly
14. put the Legislature under the gun to reenact usury ceilings
15. because of the statistics showing that in those states that
16. ...where there are usury ceilings the interest rates are higher.

17. PRESIDING OFFICER: (SENATOR BRUCE)

18. Further discussion? Senator Demuzio. Senator Rock for
19. what purpose do you arise?

20. SENATOR ROCK:

21. Well, just on a point of order, so that there is no mis-
22. understanding, that congressional action is in no respect finalized,
23. there is no date two years from which it will be operable, and
24. there is no assurance that the states are, in any way, going to
25. be preempted from anything. Now, it just seems to me that we're
26. ...we're setting up a strawman and very conveniently knocking
27. it down, but I sure wouldn't have this amendment rise or fall on
28. what the Congress of the United States may or may not do within
29. the next ten months. That simply doesn't make any sense.

30. PRESIDING OFFICER: (SENATOR BRUCE)

31. Next on our list is Senator Demuzio.

32. SENATOR DEMUZIO:

33. Is this to close?

1. PRESIDING OFFICER: (SENATOR BRUCE)

2. Oh, no I'm sorry, Senator. Senator Grotberg.

3. SENATOR GROTEBERG:

4. Thank you, Mr. President. A question of the sponsor.
5. Whose amendment is this? It's my understanding that this
6. puts an eighteen month limitation on lifting of the ceiling,
7. is that correct?

8. PRESIDING OFFICER: (SENATOR BRUCE)

9. Senator...Senator Demuzio.

10. SENATOR DEMUZIO:

11. No, it does not. It allows the monthly index to rise from
12. 2.5 percent currently to a total of five percent above which
13. would make a ceiling today of 13.75 or thereabouts, until...
14. for eighteen month period of time.

15. PRESIDING OFFICER: (SENATOR BRUCE)

16. Senator Grotberg.

17. SENATOR GROTEBERG:

18. Well, to the amendment, Mr. President, and members
19. of the Senate. One of my concerns, and I rise now in my
20. local government role in the minority which isn't very much
21. but it's all I've got, I have been battling a city council
22. in my home town to try to get zoned and try to get ready to
23. build to spend some money. I've shared those council meetings
24. and the planning commission meetings and the zoning committee
25. meetings, with developer after developer, who are getting into
26. long range spending of money. Creations of construction jobs
27. for the economy of the State of Illinois. It's not just my
28. town, but it's your town all over, and I'm here to tell you
29. to even cough in local government takes a year, if you want
30. to be legal, and cover your mouth properly and get zoned and
31. properly through the government process. That takes care of
32. a year, then you start working on working drawings, that takes
33. ninety days by the best shop and six months by some of the
more sophisticated plans. There is your eighteen months, and you

1. haven't even let the contract yet. We are to blame for
2. some of that, because of our lack of involvement in the
3. speeding up of the governmental process, where we sent the
4. outer perimeters for local government, but I'm here to tell
5. you that I, for one, would not dare enter into a long term
6. obligation in today's funny money market, and I wish that
7. we were still back to a six percent usury limit and stay
8. there, but it ain't going to work that way. Money is just
9. another commodity that goes to where it brings the best return,
10. and we cannot work within an eighteen month perimeter when
11. you're making multi-million dollar plans for any community
12. in the State of Illinois. I'm not addressing the housing market
13. where you sell me your house, that...is coming under a different
14. program, but the long term economy in this State relies heavily
15. in the construction industry, and jobs on a longer limitation
16. than any eighteen month thing that we've got going. I urge
17. the defeat of this bad amendment.

18. PRESIDING OFFICER: (SENATOR BRUCE)

19. Senator Chew.

20. SENATOR CHEW:

21. I think John Knuppel has been over here interfering with
22. my microphone. Mr. President, I am in favor of giving the
23. lending institutions and the home building industry absolutely
24. nothing. This bill is only requested for them to raise the
25. cost of housing, which is too expensive as it is, and the minute
26. we take this rate off, the lending institutions will cease to
27. threaten us by taking their monies out of our State, let them
28. take it out of State. People that are making twenty-five thousand
29. dollars a year cannot afford a home at the current rates, because
30. the home price is too high. Our neighbor state of Indiana doesn't
31. have...not have a usury rate, and the home sales are down sixty-
32. three percent. Chicago Tribune did a series a couple weeks
33. ago, Nation-wide and home buying is down in all states, because the
prices of a home is too expensive and all we're doing is just giving

1. away the store, because big business come down here and asked
2. for it. If they want to cut out making mortgages nobody's
3. going to suffer, because the rate they're going to make them
4. on, is too high for anybody to reach anyway, and you're not
5. going to have an increase in home sales, I don't think we
6. ought to give them anything. I think we ought to leave it just
7. as it is, and let them regulate themselves as far as whether they
8. want to make a mortgage or not. Who in the heck can afford to
9. pay fifty percent down on a hundred and fifty thousand dollar
10. house, that sold for sixty ten years ago? It's outrageous.
11. So, what they're asking for we should not give them, and keep
12. the industry right here in Illinois, and they will make mortgages,
13. because when all these houses on the market now can't be sold
14. at the current mortgage rate, all we're doing is complicating
15. the future mortgage rate, and they'll be asking fifteen and
16. eighteen percent on their mortgages and those of us here that's
17. making twenty-five thousand dollars can't afford to buy the house.
18. So, who are we helping, John Q Builder, and First Federal Savings
19. and Loan Association. Why is it that they're down in Indiana?
20. Why are they down in Texas? Why are they down in Maryland? They
21. don't have usury rates, they're down because people cannot afford
22. to buy them. The prices are too high. People that thought they
23. could sell their houses in a week have had them on the market
24. six months, why have they had them on the market, because somebody
25. has appraised it for ninety thousand dollars, you don't have
26. forty-five thousand dollars as a down payment, you can't afford
27. a forty-five thousand dollar mortgage because it's exorbitant,
28. and we ought to just leave it where it is, and not pussy foot
29. around trying to appease special interest, because that's all
30. it is. I'm going to vote against everything pretaining to usury
31. rate, and I'll...I'm pressure proof.

32. PRESIDING OFFICER: (SENATOR BRUCE)

33. Further discussion? Senator Nimrod. Senator Nimrod.

1. SENATOR NIMROD:

2. Thank you, Mr. President, and Ladies and Gentlemen of
3. the Senate. I think we have put this State in a very deplorable
4. situation with the anti-business climate that exists here in our
5. State today, and for us to further add to that particular mood,
6. and to...to take and adopt an amendment of this type we would
7. only further deter any incentives there are for building back
8. any of the economy and having any confidence in the whole building
9. industry would be entirely wrong. I would urge a defeat of this
10. amendment.

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(END OF REEL)

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1. PRESIDING OFFICER: (SENATOR BRUCE)

2. Senator Rupp. Is Senator Rupp on the Floor? Your light is
3. on, Senator. Did you wish to talk on this matter? All right.
4. Further discussion? Senator Keats.

5. SENATOR KEATS:

6. Move the previous question.

7. PRESIDING OFFICER: (SENATOR BRUCE)

8. Senator Keats has moved the previous question (and I do
9. not have any other Senators. Senator Demuzio may close.

10. SENATOR DEMUZIO:

11. Well, thank you, Mr. President, Ladies and Gentlemen of the
12. Senate. All this amendment does is to allow the industry eighteen
13. months by raising the index by two and a half percent to a total
14. of five percent. You know we talk about the fact that we have
15. these economic conditions, the monetary policies that are imposed
16. on us by the Federal government. A colleague of mine talks on
17. the other side of the aisle about a year, year and a half for
18. government. We're asking for eighteen months, raising the
19. ceiling by two and a half percent. We are talking about a
20. temporary problem that exists. We're talking about a January
21. Session of this Legislature that we can come in with a bill that
22. is very...very...come in with a bill that would change the...the
23. way in which the ceiling is established here in Illinois, perhaps
24. to a mortgage index or...to some other formula, a Legislature
25. that can certainly act between now and June 30th of next year so
26. why...what's wrong with eighteen months at...two and a half percent
27. over the monthly index right now. I think that is certainly fair.
28. We shouldn't even be going that much and I move the adoption of
29. the amendment.

30. PRESIDING OFFICER: (SENATOR BRUCE)

31. Motion is to adopt. Those in favor will vote Aye. Those
32. opposed will vote Nay. The voting is open. Have all voted who
33. wish? Have all voted who wish? Take the record. On that question

1. the Ayes are 16. The Nays are 35. 1 Voting Present. The motion
2. to adopt is lost. Further amendments?

3. SECRETARY:

4. Amendment No. 5 offered by Senator Demuzio and I...it has been
5. changed on its face. The amendment reads as follows:

6. On page 4, line 12, by changing December the 31st, 1981 to ...
7. change from October the 1st, 1981 to read April the 30th, 1981.

8. PRESIDING OFFICER: (SENATOR BRUCE)

9. Senator Demuzio.

10. SENATOR DEMUZIO:

11. Yes, Mr. President, I would ask leave to correct this
12. amendment on its face. The reference bureau made an error in
13. putting October 1st, 1981 which was indeed passed out to you.
14. What this amendment would, in fact, do, if there is leave, it
15. would...lift the ceiling completely...and would...lift the
16. ceiling completely. We would have no...no index as was concluded
17. in the last amendment and it would go for eighteen months which
18. indeed would allow the Legislature again the time, ample time
19. in which to consider putting this formula for ceilings to some
20. other index which is more applicable or more in tune with the
21. times. So, I would ask leave of the Body to amend this amendment
22. on its face.

23. PRESIDING OFFICER: (SENATOR BRUCE)

24. Is there leave? Leave is granted. Motion is to adopt Amendment
25. No. 5. Is there discussion? Senator Newhouse. Oh, all right.
26. Senator Rock.

27. SENATOR ROCK:

28. Well, this is frankly no better than...a little better than
29. Amendment No. 4, but still no good. Eighteen months simply will
30. not do the job. Now, if we are going to do it, vote Aye. If we
31. are going to not do it, vote No on ultimate passage, but to amend
32. it in this respect doesn't do anybody any good and I would urge
33. opposition to Amendment No. 5.

1. PRESIDING OFFICER: (SENATOR BRUCE)

2. Further discussion? Senator Graham.

3. SENATOR GRAHAM:

4. Just...I'm continually amazed at some of the speakers placing
5. all the burden of this problem on the members of the Illinois
6. General Assembly and I'm suggesting to a couple of those that have
7. these problems all solved that perhaps they contact the President
8. of the United States. They might be able to help him louse it
9. up a little bit more.

10. PRESIDING OFFICER: (SENATOR BRUCE)

11. Further discussion? Senator Philip.

12. SENATOR PHILIP:

13. Thank you, Mr. President. Am I led to believe that we have
14. just changed an amendment by simply writing in and changing a
15. date? Now, I can never remember doing that before and I don't
16. really think it's a good habit and, obviously, it's not in the
17. rules, but to change an amendment on it's face in writing I
18. just think is out of order and we shouldn't condone that or even
19. do it.

20. PRESIDING OFFICER: (SENATOR BRUCE)

21. Well, Senator Philip, we have done it in the past and it may
22. not be appropriate procedure, but the Senator asked leave, explain-
23. ing that there was a Reference Bureau error and leave was granted.
24. Is there further discussion? Senator Demuzio may close.

25. SENATOR DEMUZIO:

26. Thank you, Mr. President. I...I don't want this amendment
27. to be confused with the amendment that was just...just defeated.
28. This amendment completely eliminates the ceiling for a period
29. of eighteen months. It again allows the General Assembly eighteen
30. months to come up with a comprehensive formula that will indeed
31. solve the problem on a permanent basis in this State and still
32. leave the prerogative for setting of the ceilings to this General
33. Assembly. The amendment simply...takes the ceiling off for
eighteen months until April the 30th of 1981. I think that is

1. certainly a responsible position, it certainly ought to have the
2. support of this...of this Senate and I move for the adoption of
3. Amendment No. 5.

4. PRESIDING OFFICER: (SENATOR BRUCE)

5. Motion is to adopt Amendment No. 5. Those in favor will
6. vote Aye. Those opposed will vote Nay. The voting is open. Have
7. all voted who wish? Have all voted who wish? Take the record.
8. On that question the Ayes are 19. The Nays are 35. None Voting
9. Present. Amendment No. 5 is lost. Further amendments?

10. SECRETARY:

11. Amendment No. 6 offered by Senator Keats and it's your longest...
12. I mean Senator Gitz and it's your longest amendment, Senator Gitz.

13. PRESIDING OFFICER: (SENATOR BRUCE)

14. Senator Gitz is recognized on Amendment No. 6.

15. SENATOR GITZ:

16. Mr. President, there were several amendments filed. If this
17. is the one which is a two page amendment I wish...

18. PRESIDING OFFICER: (SENATOR BRUCE)

19. Excuse me, Ladies and Gentlemen. May we have some order so
20. that we can identify this amendment? Senator Gitz.

21. SENATOR GITZ:

22. I would like to check first with the Secretary on Amendment
23. No. 6, if it amends the conventional mortgage interest rate index.

24. SECRETARY:

25. On page 3, by deleting lines 32 through 35 and on page 4 by
26. deleting lines 1 through 23, inserting in lieu thereof the following.

27. SENATOR GITZ:

28. Mr. President, I believe very strongly in this amendment.
29. I think that it does all the things that are wished and desired of,
30. but it's very clear that this amendment is not worthy of the
31. discussion because it's going to be defeated and, therefore, I'm
32. going to Table it and save our time.

33. PRESIDING OFFICER: (SENATOR BRUCE)

1. Senator, would you...would you...rather than Tabling Amendment
2. No. 6, would you withdraw it? All right. The amendment is with-
3. drawn. Amendment No. 6, Mr. Secretary, by...

4. SECRETARY:

5. Amendment No. 6 offered by Senator Keats and...I mean Senator
6. Gitz. Do you...do you want these?

7. PRESIDING OFFICER: (SENATOR BRUCE)

8. Senator Gitz, you have a series of amendments. Senator Gitz.

9. SENATOR GITZ:

10. Yes, there...there is a series of amendments.

11. SECRETARY:

12. All right. This one is on page 4, line 29 by inserting semi-
13. colon, the following:

14. PRESIDING OFFICER: (SENATOR BRUCE)

15. Senator Gitz on Amendment No. 6.

16. SENATOR GITZ:

17. Mr. President, members of the Senate, I support some type of
18. change to give us relief in a very crucial situation. My major
19. concern...and this has nothing to do with the amendments that were
20. offered yesterday in committee...is that the people who may enjoy
21. a lower interest rate at a later date be allowed the opportunity
22. to refinance and to do so without penalty. This amendment provides
23. for a service fee, not to exceed three-quarters of one percent of
24. the unpaid balance in any loan refinanced. Now, my concern is
25. this. If we have a very high interest rate situation which clearly
26. is going to prevail for anyone who is even able to buy a home, I
27. am quite certain that as interest rates come down, our financial
28. institutions will not exactly be thrilled about the idea of re-
29. financing. Moreover, there's a lot of questions in many people's
30. minds whether the point system should even exist. It amounts to
31. an extra fee that the financial institution can impose. Now, I'm
32. willing to concede that we should give them some fee for refinancing.
33. I don't think they should be able to have the maximum number of

1. points. Privately, many financial institutions said they could
2. live with one half of one percent. I've been generous in this
3. amendment and given them three-quarters of one percent which is
4. more than adequate to cover any cost in refinancing that mortgage.

5. PRESIDING OFFICER: (SENATOR BRUCE)

6. Is there discussion of the motion to adopt? Senator Shapiro.

7. SENATOR SHAPIRO:

8. Mr. President and Ladies and Gentlemen of the Senate, I am
9. opposed to the adoption of this amendment and one of my main
10. objections to it, even though it is slightly different than the
11. amendment that Senator Joyce had and which he subsequently with-
12. drew because it was...a complicated amendment. This one is
13. different in that instead of a half of one percent, it is three-
14. quarters of one percent and instead of applying just to the initial
15. loan, it applies to any loan that is refinanced between certain
16. dates. The reason I am opposed to that...to this amendment beyond
17. the two points that I just raised, is that savings and loan associ-
18. ations would have a very difficult time refinancing an instrument
19. that had a provision such as this or if this was part of the law of
20. the State of Illinois and many savings and loans need to be able
21. to refinance their real estate mortgages in order to provide new
22. money to make new loans to new customers who come in that are
23. purchasing homes or building new homes. For those reasons, I
24. would oppose the amendment and I would urge everyone in the Senate
25. to do likewise.

26. PRESIDING OFFICER: (SENATOR BRUCE)

27. Further discussion? Senator Berman.

28. SENATOR BERMAN:

29. Questions of the sponsor.

30. PRESIDING OFFICER: (SENATOR BRUCE)

31. Indicates he will yield. Senator Berman.

32. SENATOR BERMAN:

33. Senator Gitz, why do you have a January 1, '82 cut-off for

1. this limit on the refinance charge?

2. PRESIDING OFFICER: (SENATOR BRUCE)

3. Senator Gitz.

4. SENATOR GITZ:

5. Well, Senator Berman, in most states that have no usury
6. limit, they usually have a very distinct limitation on the amount
7. of points that are allowed. What we are about to do is to take the
8. lid off and then give them free reign on new purchases and also on
9. refinancing and so I have tied this to...presumably the actions we
10. are about to take to lift the ceiling. I feel very strongly that
11. it's the height of irresponsibility for this Body to make as many
12. obstacles as possible to people that may be able to get a better
13. interest rate later on when our national economy comes back into
14. line. That's why I have tied it to this limitation.

15. PRESIDING OFFICER: (SENATOR BRUCE)

16. Senator Berman.

17. SENATOR BERMAN:

18. I'm not sure you understood my question. Why...why did you
19. put a cut-off date of January 1, '82? I...as long as we are lifting
20. the limit that goes...well, let me rephrase the question. The bill,
21. as structured now, would take the usury limit off until January 1,
22. '82. Is...and that's what you have pegged this limit to...okay,
23. fine. Let me ask you one other question. When we lifted the
24. limit a couple of years ago, we...we did have some type of
25. provision in the law that prevented or limited points or penalties
26. for refinancing, isn't that true, and how does this compare to that?

27. PRESIDING OFFICER: (SENATOR BRUCE)

28. Senator Gitz.

29. SENATOR GITZ:

30. Senator Berman, I was not a member of the Senate...time.
31. My understanding is...is that the provisions you made at that time
32. affected the interest rate. Now, points are something which is in
33. addition and every available authority that I have spoken with on

1. this has indicated that financial institutions can and do and will
2. charge points, frequently the maximum allowable points in refinancing
3. and this amendment is distinctly aimed at this problem. If the
4. Federal interest rates start coming down, things come back into
5. line, I do not want to have any of your constituents or mine walk
6. into a bank or a financial institution and say I would like to
7. renegotiate and refinance my mortgage and then have them say, "Well,
8. that' fine, but there's going to be some pretty substantial penalties
9. here," and they will point to the point system and use it to dis-
10. courage it because why should they give up a high rate of return,
11. if they can keep them locked into that mortgage rate.

12. PRESIDING OFFICER: (SENATOR BRUCE)

13. Senator Berman.

14. SENATOR BERMAN:

15. One more question. Without your amendment, is there any
16. limitation on the charge the savings and loan can make in the
17. event that interest rates drop and people want to refinance for
18. the lower interest rate. Is there any limit without your amendment?

19. PRESIDING OFFICER: (SENATOR BRUCE)

20. Senator Gitz.

21. SENATOR GITZ:

22. My understanding that they are limited now on refinancing to
23. a maximum of three points.

24. PRESIDING OFFICER: (SENATOR BRUCE)

25. Senator Berman.

26. SENATOR BERMAN:

27. So your amendment would change that three points to three-
28. quarters of one point on refinancing?

29. PRESIDING OFFICER: (SENATOR BRUCE)

30. Senator Gitz.

31. SENATOR GITZ:

32. That is correct. Senator Joyce's amendment was aimed at
33. new loans that were taken out in this situation. He Tabled that

1. amendment. There is a lot of resistance to changing it at all.
2. I have not offered an amendment on the new ones, but I feel very
3. strongly we should make every step possible that if the interest
4. rates come down and I believe they will, I believe we will find
5. that this action that we have taken is precipitous, we, at least,
6. should do something to adjust that point system. I felt that if
7. I offered an amendment to abolish it altogether, it would open
8. up a whole new can of worms. So, I was generous, I gave them
9. more than privately a lot of people said is even necessary to do
10. the paperwork.

11. PRESIDING OFFICER: (SENATOR BRUCE)

12. Further discussion? Senator...Senator Jerome Joyce.

13. SENATOR JEROME JOYCE:

14. Thank you, Mr. President. I rise in support of this amendment.
15. It seems to me that...points are the most repulsive part of buying
16. a home and since we are not limiting that in the first place,
17. which I privately think we ought to, we're leaving it to three
18. points. I think that in this time of inflation, when a person is
19. forced to buy a home and that, I believe, are the only people that
20. are going to buy one, when they do have a chance or an opportunity
21. to refinance it, that they should not be gouged again in taking
22. three points. You know, it's...it's the S and Ls who are the
23. ones that are causing most of this problems...and it seems to me that
24. they are so engrossed in branching out into every small town that
25. they have to sell the paper as soon as they get it to keep in
26. business. It looks to me like they ought to be cleaning up their
27. own house and leave one of those facilities there until it starts
28. making money before they jump into another town just so they corner
29. all the market. So, I would...I would support this amendment and
30. hope that everyone else would.

31. PRESIDING OFFICER: (SENATOR BRUCE)

32. Senator Berning.

33. SENATOR BERNING:

1. Question of the sponsor. On that same page 4, line 27,
2. 28 and 29, it says it shall be unlawful to provide for a pre-
3. payment penalty or other charge for prepayment. My question is
4. then, Senator, does this not provide adequate protection for
5. anyone who wants to refinance and can get a more satisfactory
6. or acceptable rate to negotiate a loan and prepay and in that
7. way achieving the savings that I think you are trying to get
8. for him or her.

9. PRESIDING OFFICER: (SENATOR BRUCE)

10. Further discussion? Senator Wooten.

11. SENATOR WOOTEN:

12. Thank you, Mr. President. I have a question and I don't
13. know whether it should properly be directed to the sponsor of
14. the amendment...I hope someone in the Body can give me an answer.
15. There is nothing wrong with this amendment or actually, there's
16. nothing wrong with Senator Joyce's amendment as it relates to
17. individuals dealing with institutions. The problem apparently
18. occurs in institutions dealing with institutions. Now, if we
19. could draw a line between those two, I think we'd have no dif-
20. ficulty supporting this or any similar concept, but I want some-
21. body to tell me what effect this has on the secondary mortgage
22. market, what the practices are now and how this would impact on
23. it. I certainly agree with Senator Joyce. The S and Ls have
24. dug themselves into a pretty deep hole in their attempt to expand
25. too rapidly, but the point also remains that if there are going
26. to be loans made and I doubt there are going to be many at these
27. interest rates, S and Ls are going to be in the middle of that
28. business. If we do something which is simple justice for an
29. individual dealing with an institution, but in the process, cripple
30. the institution, and I mean cripple it, then...we probably ought
31. to think twice about it. I'd like to know if there is someone in
32. this Chamber who can tell me what impact this will have on the
33. secondary mortgage market, what is their practice, do they use

1. points, do they sell at the limit of three points when they
2. pass those mortgages on? If we can answer...if we can get the
3. answer now in this Chamber instead of sending it over to the
4. House and having to work it out in Conference Committee, it would
5. be pretty handy. Does anyone have the answer to how this would
6. impact...exactly how it would impact and what change it would
7. make in the secondary mortgage market.

8. PRESIDING OFFICER: (SENATOR BRUCE)

9. Is there further discussion? Senator Netsch.

10. SENATOR NETSCH:

11. Well, I have a question. Maybe there will be an answer to
12. this one. I think this is directed to the sponsor. It's a
13. matter of clarification because while you were answering Senator
14. Berman, I became confused about what your answer was. When we
15. raised the interest rate in whatever year that was, my recollection
16. is that we did put a maximum of three points on the refinancing.
17. Is that correct, Senator Gitz?

18. PRESIDING OFFICER: (SENATOR BRUCE)

19. Senator Gitz.

20. SENATOR NETSCH:

21. I realize you were not here at the time, but that is your
22. understanding, right?

23. SENATOR GITZ:

24. There is a maximum in the law today of three points. Whether
25. it was put in at the time that this Body passed that Amendatory
26. Act, I cannot answer.

27. PRESIDING OFFICER: (SENATOR BRUCE)

28. Senator Netsch.

29. SENATOR NETSCH:

30. Yeah, I think the answer is that it was. All right. Then
31. yours is a substitute for that provision for this period of time,
32. up to January 1982. In other words, if your amendment were not
33. adopted, then there would be a three point maximum on the refinancing.

1. If your amendment is adopted, between now and January '82, there
2. would be a three-quarters of one percent maximum. Is that a
3. correct interpretation of the impact of your amendment? One
4. reason why I ask that is it does not do anything to existing language
5. and I'm trying to find where it fits with the three points.

6. PRESIDING OFFICER: (SENATOR BRUCE)

7. Senator Gitz.

8. SENATOR GITZ:

9. You are correct in what you have stated and interpreted in
10. the bill, the amendment.

11. PRESIDING OFFICER: (SENATOR BRUCE)

12. Senator Walsh.

13. SENATOR WALSH:

14. Will the Gentleman yield for a question?

15. PRESIDING OFFICER: (SENATOR BRUCE)

16. Indicates he will yield. Senator Walsh.

17. SENATOR WALSH:

18. I,..I don't know if you were prepared to address yourself to
19. the comment made, I believe at first, by Senator Berning, but the
20. provision in the existing law is that there shall be no prepayment
21. penalty if the interest rate charged is in excess of eight percent.
22. That's the existing law. Is that your understanding, Senator?

23. PRESIDING OFFICER: (SENATOR BRUCE)

24. Senator Gitz.

25. SENATOR GITZ:

26. Senator Walsh, my understanding is, is that points can actually
27. be taken outside of that prepayment. I believe if all of the
28. authorities that I have consulted with are correct, the provision
29. that you have quoted applies to the interest rate. It applies to what
30. will happen to refinancing. It is my understanding, and if you can
31. resolve this problem, I would withdraw the amendment, but it is my
32. understanding that as it exists, if the interest rates come down, if
33. there's clearly an environment that's conducive to people coming out
economically ahead by refinancing their mortgage, the financial
institutions can still use the point system in re-

1. financing and they can use it to the maximum way and I believe
2. they will have a direct economic incentive to use it to dis-
3. courage that very high interest home loan mortgage they've got people
4. tied to for some thirty years.

5. PRESIDING OFFICER: (SENATOR BRUCE)

6. Senator Walsh.

7. SENATOR WALSH:

8. I should have known better to ask a question. The...the point
9. I'd like to draw to your attention, Senator, if you have a copy of
10. the bill handy, on page 4, the existing law provides that whenever
11. such contract exceeds eight percent per annum which, of course,
12. would be any mortgage that has been made in the last probably six
13. or eight years or more, it shall be unlawful to provide for a pre-
14. payment penalty or other charge for prepayment. Now, that's what
15. you have been talking about. If your amendment is adopted, you
16. would, in effect, be permitting a prepayment penalty where none
17. is permitted now so that if you want to...if you want to provide
18. for a prepayment penalty, we should adopt your amendment. If you
19. want to prohibit one we should keep the existing law intact and
20. I think we should save you from yourself and vote No on your
21. amendment.

22. PRESIDING OFFICER: (SENATOR BRUCE)

23. Further discussion? Senator Shapiro. Oh, all right.
24. Senator Gitz may close.

25. SENATOR GITZ:

26. In reply to Senator Walsh's comments, he's talking about a
27. prepayment penalty on the original contract. What this is talking
28. about is refinancing the unpaid portion and the new mortgage which
29. is issued and I'm sure that it's a legitimate misunderstanding, but
30. the fact is that there is a point system for refinancing. You don't
31. have to do a title search. It is not that complicated. In effect,
32. amounts under the existing system two ways. Number one, extra
33. money for the institution for nominal paperwork. Number two, a

1. direct disincentive that I believe will be utilized if the
2. mortgage rates do come down. If there is one responsibility
3. this Body has in the situation, it is that they ought to follow
4. the other States of this country which have limited the amount
5. of points that can be charged when they have lifted the ceiling
6. and we have not done that today. I have not dealt with new
7. contracts. I left that to Senator Joyce and I feel very strongly
8. we need to put some safeguards in this to take care of refinancing
9. in the future.

10. PRESIDING OFFICER: (SENATOR BRUCE)

11. The motion is to adopt Amendment No. 6 to House Bill 2811.
12. Those in favor will vote Aye. Those opposed will vote Nay. The
13. voting is open. Have all voted who wish? Have all voted who wish?
14. Have all voted who wish? Take the record. On that question the
15. Ayes are 28. The Nays are 28...it's been...and the motion...the
16. motion to adopt is lost. There's been a request for a verification.
17. Will the members please be in their seats? Will the members please
18. be in their seats? The Secretary will call those who voted in the
19. affirmative...no, in the...in the negative. I'm sorry. Senator
20. Johns made the request that...to verify those who voted in the
21. negative.

22. SECRETARY:

23. The following voted in the negative: Becker, Berning, Bloom,
24. Bowers, D'Arco, Davidson, DeAngelis, Geo-Karis, Graham, Grotberg,
25. Keats, Maitland, Martin, McMillan, Mitchler, Moore, Nimrod, Ozinga,
26. Philip, Regner, Rhoads, Rupp, Schaffer, Shapiro, Sommer, Vadalabene,
27. Walsh, Weaver.

28. PRESIDING OFFICER: (SENATOR BRUCE)

29. Senator Johns, do you request...do you question the presence of
30. anyone?

31. SENATOR JOHNS:

32. D'Arco.

33. PRESIDING OFFICER: (SENATOR BRUCE)

1. Is Senator D'Arco on the Floor? Is Senator D'Arco on
2. the Floor? Strike his name, Mr. Secretary.
3. SENATOR JOHNS:
4. Geo-Karis.
5. PRESIDING OFFICER: (SENATOR BRUCE)
6. Is Senator Geo-Karis on the Floor? She's next to Senator
7. Berning's desk. Senator Johns?
8. SENATOR JOHNS:
9. Martin.
10. PRESIDING OFFICER: (SENATOR BRUCE)
11. Senator Martin is in her seat. Senator Johns, do you
12. question the presence of any other member? All right.
13. SENATOR JOHNS:
14. Wait a minute. Is DeAngelis here?
15. PRESIDING OFFICER: (SENATOR BRUCE)
16. Senator DeAngelis is in his chair.
17. SENATOR JOHNS:
18. Okay.
19. PRESIDING OFFICER: (SENATOR BRUCE)
20. All right. Senator Shapiro requests for a verification
21. of the affirmative. Secretary...Senator D'Arco's name has been
22. stricken. At this point there are 28 Ayes and 27 Noes. We will
23. now verify the affirmative votes.
24. SECRETARY:
25. The following voted in the affirmative: Berman, Bruce, Buzbee,
26. Carroll, Chew, Coffey, Collins, Daley, Demuzio, Gitz, Hall, Johns,
27. Jeremiah Joyce, Jerome Joyce, Knuppel, Lemke, McLendon, Merlo, Nash,
28. Nedza, Nega, Netsch, Newhouse, Sangmeister, Savickas, Washington,
29. Wooten, Mr. President.
30. PRESIDING OFFICER: (SENATOR BRUCE)
31. Senator Shapiro, do you question the presence of any member
32. who voted in the affirmative?
33. SENATOR SHAPIRO:

1. Yes, Mr. President...Keats.

2. PRESIDING OFFICER: (SENATOR BRUCE)

3. Is Senator Keats on the Floor? Yes, he's behind...Senator

4. Keats voted in the negative.

5. SENATOR SHAPIRO:

6. All right. I'm sorry. Newhouse.

7. PRESIDING OFFICER: (SENATOR BRUCE)

8. We'll take him off anyway...Senator Newhouse. Senator Newhouse

9. is at his seat.

10. SENATOR SHAPIRO:

11. Senator Knuppel.

12. PRESIDING OFFICER: (SENATOR BRUCE)

13. Is Senator Knuppel present. Senator Knuppel is...is down

14. at the press box, if you...if you can...

15. SENATOR SHAPIRO:

16. And Senator Jeremiah Joyce.

17. PRESIDING OFFICER: (SENATOR BRUCE)

18. Is Senator Jeremiah Joyce on the Floor? Senator Jeremiah

19. Joyce. Strike his name. You question the presence of any other

20. member, Senator Shapiro? On a verified roll call, there are

21. 27 Ayes and 27 Nays. The motion to adopt Amendment No. 6 is

22. lost. Further amendments, Mr. Secretary?

23. SECRETARY:

24. Amendment No. 7 offered by Senator Gitz and it's the one

25. percent, Senator Gitz.

26. PRESIDING OFFICER: (SENATOR BRUCE)

27. Senator Gitz is recognized on Amendment No. 7.

28. SENATOR GITZ:

29. We've already discussed this issue. It's very clear that

30. apparently a lot of people don't really care that much what happens

31. to individuals that are caught in a bind. I'm going to withdraw the

32. amendment.

33. PRESIDING OFFICER: (SENATOR BRUCE)

1. The amendment will be withdrawn. Further amendments, Mr.
2. Secretary?

3. SECRETARY:

4. Amendment No. 7 offered by Senator Gitz. It's the one on
5. page 5 by inserting after line 2 the following.

6. PRESIDING OFFICER: (SENATOR BRUCE)

7. Senator Gitz.

8. SENATOR GITZ:

9. Mr. Secretary, is that on maximum downpayment?

10. SECRETARY:

11. It's very short. It's on the twenty percent purchase price.

12. PRESIDING OFFICER: (SENATOR BRUCE)

13. Senator Gitz is recognized on Amendment No. 7.

14. SENATOR GITZ:

15. Mr. President and members of the Senate, most of the
16. testimony that's been taken in the Finance Committee indicates
17. that the major problem in the home loan mortgage market is with
18. people who are limited in the amount of downpayment that they
19. can put down. Now, I should preface my remarks by saying that
20. with the very high interest rates coming about, you're still
21. going to have a lot of sick realtors, still going to have a lot
22. of financial institutions that just can't find people that can
23. make those loans. It seems to me if we are really serious about
24. addressing the problem and this Body owes its constituents some
25. protection and these exceedingly high interest rates, interest
26. rates that have absolutely no precedent in history, that we at
27. least ought to have some safeguard in the maximum downpayment
28. allowed. Now, Senator Shapiro undoubtedly protests loud and longly
29. on how this shackles them and we can't possibly do it. We found
30. many times that when we take steps to safeguard people that the
31. money gets where it ought to be. Twenty percent, I don't think
32. is an unreasonable figure. It is one which is supported in terms of
33. the groups that allegedly this legislation is supposed to help and
I offer it for your consideration.

1. PRESIDING OFFICER: (SENATOR BRUCE)

2. The motion is to adopt Amendment No. 7. Is there discussion?

3. Senator Bloom.

4. SENATOR BLOOM:

5. Thank you, Mr. President and fellow Senators. Well, this
6. amendment is basically just, I think, political posturing. If you
7. read the language of it, it says...it's unlawful to provide
8. for so, in other words, there are the segments of the consumer
9. market that can come in with a higher than twenty percent downpayment
10. price and probably get a break on their mortgage rates. This is...
11. this is ill-advised and pure political posturing. I...I urge it's
12. rejection.

13. PRESIDING OFFICER: (SENATOR BRUCE)

14. Further discussion? Senator Berning.

15. SENATOR BERNING:

16. Thank you, Mr. President. I believe I have an authentic copy
17. of the bill which, is before us and I call attention to the fact
18. that line 2 says, "Section 2, Section 2 of an Act to authorize for
19. (A)," and we are asked now to consider inserting after that line (E)
20. with respect to any transaction entered into on or after the effective
21. date"and so on and so on. The point being, this amendment is defec-
22. tive, Mr. President and I respectfully suggest that it is not
23. eligible for consideration.

24. PRESIDING OFFICER: (SENATOR BRUCE)

25. Senator Gitz is recognized.

26. SENATOR GITZ:

27. Mr. President, this amendment is technically flawed. More-
28. over, it is not my intention, if someone is able to come up with
29. a greater downpayment, to penalize them. Therefore, I'd respectfully
30. ask to be able to withdraw this amendment. We will correct it and
31. refile it in its form. I would like on a personal privilege note,
32. if it is not germane to this amendment, to one...make one comment,
33. however, and that is that I have listened very carefully to the

1. testimony. I do want to take an action, but I want something
2. that's responsible, something that we do not have to be ashamed of
3. at a later date. On no occasion in my year in the Senate, have
4. I ever questioned anyone's motives or their integrity and I
5. personally resent the statement that Senator Bloom made. I don't
6. offer these amendments for posturing, but I am quite concerned
7. about what this does to people and their lifetime savings and I
8. respectfully ask for him to apologize at his leisure.

9. PRESIDING OFFICER: (SENATOR BRUCE)

10. All right. Amendment No. 7 is withdrawn. Further amendments,
11. Mr. Secretary?

12. SECRETARY:

13. Amendment No. 7 offered by Senator Gitz.

14. PRESIDING OFFICER: (SENATOR BRUCE)

15. Senator Gitz on Amendment No. 7...Senator, now we just
16. withdrew 7. This is a new number 7. All right. Are there
17. further amendments?

18. SECRETARY:

19. No further amendments.

20. PRESIDING OFFICER: (SENATOR BRUCE)

21. 3rd reading. Senator Rock.

22. PRESIDENT:

23. Ladies and Gentlemen of the Senate, if I can have your attention,
24. we will at this point in time, even though we are a half an hour
25. late, recess for the purpose of the Memorial Service in honor of
26. the memory of W. Russell Arrington. Now, I will be instructing the
27. doorkeepers to close and lock the doors so I would ask that all
28. members be in their seats, that those not entitled to the Floor
29. will please vacate. Any guests are certainly welcome and I'd
30. ask the two doorkeepers at the back with respect to the telephones,
31. I would like the telephone doors closed and please ask the operator
32. to take a message. There will be no telephone calls during the
33. course of the ceremony. All right, can I ask the doorkeeper at the
main door and the two side doors to take another look and see if
anybody wants to get in, please.

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All right. I would ask all members to be in their seats.
The Chair will yield to Senator John Graham.

SENATOR GRAHAM:

Thank you, Mr. President. This brief Memorial Service will be started by a prayer by Dr. Roger Rominger, First United Methodist Church, of Springfield, Illinois. Reverend. We'll all join with the Reverend in a moment of prayer.

REVEREND ROGER ROMINGER:

Our Heavenly Father, let us never be ashamed to come to You because we are Your children, You created us and You love us. It is not custom, but need that brings us to You. Give the healing that only the Great Physician can give and be with our families. We pray that You will comfort Senator Arrington's daughter, Pat, and his son, Mike, and daughter-in-law Trudy, with Your presence and peace. Thank You for all the good that he accomplished with his long years of service and statesman-like ability. Thank You for helping him to grow up strong and helping him yet to be a compassionate and sensitive person. We rejoice that these people here gave him friendship and love and encouragement and respected him. Bless his memory, establish all the good that he has accomplished. Give to all of us who sorrow consolation and give Your love, as a gift, to all of us. Amen.

SENATOR GRAHAM:

Thank you very much, Dr. Rominger. I'd like to call now upon the Governor of the State of Illinois for a few brief remarks. Governor Thompson.

GOVERNOR JAMES THOMPSON:

Thank you, Senator Graham, members of the Senate. It was not my privilege to work with Russ Arrington in State government, for our times in government did not coincide. It was my privilege, at the request of his family, to be able to say what I hoped were appropriate words on the occasion of his funeral service, but it

1. is even more my privilege to know as a Governor and even more
2. importantly, as a citizen of this State, those things that Russ
3. Arrington did which immeasurably strengthened the Legislative
4. process, which immeasurably increased the Legislative role, which
5. enormously increased respect for the Legislative Branch. He was
6. a man who believed that if the people's representatives in the
7. General Assembly were to truly carry out the will of those who
8. had sent them there in their place, they must be given the resources,
9. professionalism, staff, interns, all the things which would command
10. not only respect, but knowledge in the ability to make informed
11. decisions and the effectiveness of the Legislative Branch of
12. government in this State will, in many ways, always be a living
13. tribute to the memory of the work of Russ Arrington. He, like
14. many of us in government, in both the Legislative and Executive
15. Branches, will never truly receive the credit due for all the
16. things that he was able to accomplish because to Russ Arrington
17. belongs much credit for giant strides forward in the laws of the
18. State of Illinois relating to the rights of people and their
19. humanity which have been sometimes overlooked because he was not
20. a man to stand and claim credit for himself. For, above all,
21. Russ Arrington represented the essence of the Legislative process.
22. Is there a problem? Solve it. Is there an impediment in the
23. people's path? Remove it. Is there a compromise available? Go
24. to it. Some would say that's pragmatism. I don't give it a label.
25. I call it getting the job done. In my few years in government,
26. I have rarely seen a problem which defied solution, if people
27. were willing to come together to solve it and conversely, in
28. my short years in government, I have never seen a solution which
29. satisfied all. Russ Arrington, as the epitome of a Legislative
30. mind, understood that and preferred to solve problems and above all,
31. he was loyal, loyal to the people of his district, loyal to his
32. party, loyal to his fellow leaders in government and like all of
33. us at times, in all branches of government, responsible for doing

1. what the people sent us here to do, was able to put aside personal
2. feeling or personal opinion or personal belief which all of us
3. are instilled with...nothing wrong with that, to get a job done.
4. He was a rare man. We could use many Russ Arringtons today and
5. in our future in both parties, in both branches of government.
6. Within days after my decision to seek the Governorship of this
7. State, he counseled with me in person and I will always remember
8. that and while he lived, I had his friendship and with his death,
9. we all have his memory and we are all richer for it. Thank you.

10. SENATOR GRAHAM:

11. Thank you, Governor Thompson. Alan Dixon, our Secretary of
12. State, had arranged to be here at the prior Memorial Service that
13. we had planned. Secretary Dixon knew him well, served with him
14. in both the House and the Senate. Our good friend, the Secretary,
15. cannot be with us today. He's being represented by the President
16. of the Senate, the Honorable Phil Rock, who I may say at this
17. time, has been really cooperative with us in helping to get
18. this Memorial Service put together, as he usually is...he always
19. does, diligent and good worker and is capable of carrying the
20. message of Alan Dixon to you with regard to W. Russell Arrington.
21. I have now the pleasure of having before us, once again, the
22. President of the Senate, Phil Rock.

23. PRESIDENT:

24. Thank you, John, Governor and members of the Arrington family.
25. I have a letter addressed from the Office of the Secretary of
26. State:

27. "I regret that it is not possible for me to be present
28. personally with my former colleagues and friends as the Illinois
29. Senate holds its Memorial Service for W. Russell Arrington.
30. Although Senator Arrington and I were of different political
31. persuasions, he was a worthy adversary. We may have argued
32. heatedly in debate, but we walked off the Floor of the Senate
33. Chamber as friends. Both of us followed the dictum that opponents

1. can disagree without being disagreeable. Senator Arrington was
2. a brilliant, brilliant, incisive individual in politics, government,
3. business and the law. He made his mark wherever and whenever he
4. took on a project, whether it be an election contest, a piece of
5. legislation, a corporate enterprise or a legal case. All of us
6. who knew Russ Arrington came to admire his verve, his vitality and
7. his vision. He will be missed. I join my former colleagues and
8. friends in the Senate in paying tribute to our departed friend
9. through this solemn Memorial Service. Sincerely, Alan J. Dixon,
10. Secretary of State."

11. SENATOR GRAHAM:

12. Thank you very much, President Rock. I would like now to
13. call upon, for a couple of brief remarks, the Dean of the Illinois
14. Senate, who served many years with W. Russell Arrington, the
15. gentleman from Evergreen Park, Senator Frank Ozinga.

16. SENATOR OZINGA:

17. Mr. President, Governor, Mike, Pat, I was privileged to
18. serve with Russ during his entire career here in the Senate. Russ
19. was his own man. He had likes and he had dislikes. He and I
20. stood shoulder to shoulder many, many times. Likewise, at opposite
21. ends of the stick many, many times, but never did Russell ever keep
22. anything personal. We, in government, are faced with this crisis
23. often. He stands as a monument to this Senate. When we first
24. started, it was a different ballgame entirely than what you see
25. today, but an awful lot that is here represented, goes to the
26. credit and the pursuit thereof by Russell Arrington. He has left
27. his mark on this Senate. We, who were privileged to serve with
28. him, will never forget and as he proudly stood there on that podium
29. as President Pro Tem, I personally remember when he looked and says,
30. yeah, you did it. We had our fights in those days as to who was
31. going to be what and there was always somebody in the middle that
32. had to make the turning vote and I will never forget the rest of
33. my life when we, as Republicans, had an overflow we sat clear over...

1. I think there was eight seats on the other side of the aisle.
2. It wasn't a matter of who dominated, it was a matter of who you
3. were going to pick within your own confines that you are going
4. to back and we, with 38, left a 19-19 set up and it was who was
5. going to really do the thing. Russell was always very honest
6. with everything that he did with reference to every one of us
7. on the Republican side of the aisle and as you have just heard
8. from Secretary Dixon, with respect to the Democrats also. We
9. appreciate this. We have appreciated it and I'm sure that any
10. person that served here in the Illinois Senate at the time when
11. Russell Arrington was here will never forget and he has positively
12. left his mark on this Senate and we sympathize with you all. We
13. will miss him, not as much as you, but we do miss the good
14. Senator, Russell Arrington. Thank you.

15. SENATOR GRAHAM:

16. Thank you, Senator Ozinga. I'm going to introduce to you,
17. at this point in time, before I make a few brief remarks, Russell's
18. son, Mike, and his wife, who I met a long time ago at the
19. Rehabilitation Center in Chicago. His loving son is here today to
20. proudly join with us in this most fitting ceremony and I'm thank-
21. ful to all of you who are indulging us in this, thankful to
22. Mark Rhoads for calling to our attention that we had erred by
23. not recognizing the death resolution as we should have. We gather
24. here for a few brief moments to pay service to the...Memorial of
25. our former colleague, Russ Arrington...Arrington, the man, Arrington,
26. the Legislator. Those who knew him, will say that he was dedicated
27. to the perpetuation of good government, all the principles thereof,
28. especially honesty and integrity. Russ Arrington was known as a
29. taskmaster and demanded the best of his subordinates and his
30. peers and those of you who have met with him, in some cases, know
31. that it's true. He would never request of those that they do some-
32. thing that he would or could not do. He was a leader. His memory
33. exists all through the United States as a great mover in improving

1. the Legislative process, and recognized throughout the United
2. States as being foremost in that area. He was unwilling to
3. concede, as the Governor related, that the knottiest problems
4. could not be...could not be solved. He was ready to challenge
5. them. He was challenging to his adversaries, while respecting
6. their points of view. The passing of W. Russell Arrington will
7. leave a great gap in the lives of us who knew him and in the lives
8. of those who benefited from his many philanthropic interests,
9. especially the Chicago Boys Club and others, those of you who
10. did not know him, your life will be devoid of that great
11. experience. Those of us who did, our lives have been made richer.
12. Many things could be said about Russ, but in conclusion...
13. agree that a devoted servant, a goodman, has gone to his re-
14. ward and we must say, "Well done, Thy good and faithful servant.
15. Enter into the Kingdom of the Lord." Thank you very much.

16. PRESIDENT:

17. Ladies and Gentlemen, may we stand for a moment of silence.
18. The Senate will stand at ease for ten minutes.

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2. All right, the Senate will come to order. Will those within
3. the sound of my voice in their respective offices please...come
4. back to the Floor. Resolutions.

5. SECRETARY:

6. Senate Resolution 312 offered by Senators Geo-Karis, Berning
7. and Graham. It's congratulatory.

8. Senate Resolution 313 offered by Senator Davidson and all
9. Senators. It's congratulatory.

10. Senate Resolution 314 offered by Senator Kenneth Hall and
11. all Senators. It's congratulatory.

12. Senate Resolution 315 offered by Senator Mitchler. It's
13. congratulatory.

14. Senate Resolution 316 offered by Senator Nash. It's congratulatory.

15. Senate Resolution 317 offered by Senators Rock, Nash, Nega,
16. Egan and all Senators and it's congratulatory.

17. Senate Resolution 318 offered by the same sponsors, it's a
18. Death Resolution.

19. Senate Resolution 319 offered by Senators Lemke, Daley and
20. Rock. It's congratulatory.

21. Senate Resolution 320 offered by Senator Vadalabene and
22. all Senators and it's congratulatory.

23. PRESIDENT:

24. Consent Calendar.

25. SECRETARY:

26. Senate Resolution 321 offered by Senator Keats.

27. PRESIDENT:

28. Senator Keats.

29. SENATOR KEATS:

30. Thank you, Mr. President. I would ask that we waive the
31. rule so that I can run this resolution through today. It's
32. a noncontroversial resolution. It deals with...the destruction
33. of the Bahai Shrines in Iran. A country that we have such wonderful

1. relations with at this moment. I would ask the suspension of
2. the rules.

3. PRESIDENT:

4. All right, Senator Keats has moved to suspend the rules
5. so that we may consider Senate Resolution 321. Is leave granted?
6. Leave is granted. On the Order of Senate Resolutions, Senate
7. Resolution 321, Senator Keats. You want to explain the resolution.

8. SENATOR KEATS:

9. What...what my resolution says is that we are asking the
10. ...our government of Iran to, number one, stop destroying the
11. Shrines of the Bahai faith. The Bahai faith's founding a temple
12. called the House of the Bab has already been destroyed and
13. various members of the Bahai faith are being imprisoned, et cetera.
14. The International Bahai Headquarters is the world famous architec-
15. tural masterpiece. The Bahai Temple, which happens to be in
16. Wilmette as some of you may remember, is in the general vicinity
17. of my home. I would appreciate your support. All we are asking
18. is that the Iranian Government treat Bahai's the same way they
19. would treat any other citizen.

20. PRESIDENT:

21. Is there any discussion? Senator Keats...Senator Netsch.

22. SENATOR NETSCH:

23. I fully support, obviously, Senator Keats, what you're about.
24. I suppose the...not having seen the text of the resolution, the
25. only question is whether you may not have it directed to the
26. wrong source of power in Iran. The government is not the government.

27. PRESIDENT:

28. Senator Keats.

29. SENATOR KEATS:

30. Touchē.

31. PRESIDENT:

32. All right. If there's no further discussion, Senator Keats has moved the
33. adoption of Senate Resolution 321. All in favor signify by saying

1. Aye. All opposed. The Ayes have it, the resolution is adopted.
2. All right, Gentlemen, we'll return to the Order of House Bills,
3. 2nd reading and once we conclude that business, we can then move into
4. the Special Session. House Bills, 2nd reading, Senator Philip on
5. the Floor? Twenty...on the top of page 3, on the Order of House
6. Bills, 2nd reading, 2813, Senator Philip. Yes. You wish that
7. called, Senator Philip?

8. SENATOR PHILIP:

9. Yeah, I sure do.

10. PRESIDENT:

11. You want...you wish...okay, that's all I ask. On the Order
12. of House Bills, 2nd reading, House Bill 2813. Read the bill,
13. Mr. Secretary.

14. SECRETARY:

15. House Bill 2813.

16. (Secretary reads title of bill)

17. 2nd reading of the bill. No committee amendments.

18. PRESIDENT:

19. Any amendments from the Floor?

20. SECRETARY:

21. Amendment No. 1 offered by Senators Regner and Rhoads.

22. PRESIDENT:

23. Senator Regner.

24. SENATOR REGNER:

25. Yes, Mr. President and members. Very simple amendment, I
26. don't think it should take any long debate. It's whether anyone
27. believes or does not believe in the Blind Primary Bill which
28. passed last Spring. I voted No at that time, I have committed
29. to some people that I would offer an amendment to a bill to
30. eliminate the Blind Primary. So a Yes vote on the adoption of
31. this amendment would have put us back to where we are, we would
32. not have the Blind Primary, we would have delegates running at
33. the Primary time as committed to the various candidates whom they

1. support.

2. PRESIDENT:

3. Is there any discussion? Senator Philip.

4. SENATOR PHILIP:

5. Thank you, Mr. President, Ladies and Gentlemen of the Senate.
6. To get this bill out of committee, I agreed to accept no amendments.
7. I told that to the President of the Senate, I told it to the
8. chairman of the committee and I hope everybody would agree to that
9. and vote No.

10. PRESIDENT:

11. Further discussion? Senator Rhoads.

12. SENATOR RHOADS:

13. To the amendment, Mr. President. The Blind Primary has two
14. essential flaws in it. Number one, it delegates a Legislative
15. function to a State Party Committee and number two, it is not
16. consistent with the Uniformity Provision of Illinois Election Law.
17. That provision has been violated because the Republican State
18. Central Committee has chosen to use the Blind Primary method
19. whereas the Democratic State Central Committee has not chosen
20. to use it, although it could at any time. I understand there
21. may be a court challenge on this, but we can prevent or...stop
22. the State from going to the expense of a court challenge if
23. we adopt Amendment No.1 offered by Senator Regner. I rise in
24. support of its adoption.

25. PRESIDENT:

26. Further discussion? Senator Netsch.

27. SENATOR NETSCH:

28. Thank you, Mr. President. In addition to the reasons mentioned
29. by Senator Rhoads, I think that the Blind Primary is just blind
30. on its face. It's completely contrary to all of what I think many of us
31. have been about for the last few years, which is to give people an
32. opportunity to...to participate in a knowingful and, if I may use
33. the word, meaningful way, in the Primary process with respect to

1. the election of delegates. It...unless we are to continue to
2. make a farce out of the method by which we select presidential
3. candidates and I think there have been tendencies in that direction
4. in the past, then it seems to me that we ought to have a right to
5. know what, in fact, what candidate, in fact, those who are running
6. for delegate, represent and will be pledged to support if they
7. are indeed to be pledged. And I...I do not understand why all
8. of a sudden, we would want to go back to a time that most of us thought
9. had long past. I think that the amendment is a good one and I
10. hope that it would be supported.

11. PRESIDENT:

12. Further discussion? Senator Shapiro.

13. SENATOR SHAPIRO:

14. Well, Mr. President and Ladies and Gentlemen of the Senate.
15. I rise in opposition to this amendment. I think it was discussed
16. pretty thoroughly last spring when the amendment was adopted to
17. give the Central Committees of the State of Illinois the option
18. as to whether they wanted or...the delegates to run committed or
19. uncommitted. And as the...the last speaker made a statement that
20. she didn't know why we wanted to adopt this type of method, I
21. say to her, we are not adopting it. The Republican Party adopted
22. it, her party did not, that's the option available. And the
23. previous method is really a farce when you consider that the
24. delegate...that the presidential candidates have to register in
25. this State in early December and the delegate selection, the
26. delegate registration does not take place in January, many of
27. the delegates who would have to...declare for a particular presidential
28. candidate, depending on whom they chose, it is almost certain that
29. at least half of the...of the presidential candidates on the
30. Republican side anyway, this year, will be dropping out of the
31. presidential race shortly after the first of the year when they
32. garner their matching funds from the Federal Elections Commission.
33. So I say that the adoption and giving the...State Central Committees

1. the choice of which method they choose to opt for is a good one.
2. The old method was really not binding upon the delegates and the...
3. it should be abolished.
4. PRESIDENT:
5. Further discussion? Senator Bowers.
6. SENATOR BOWERS:
7. The sponsor yield for a question?
8. PRESIDENT:
9. Indicates he will yield, Senator Bowers.
10. SENATOR BOWERS:
11. Senator Philip, you indicated that...
12. PRESIDENT:
13. No, the sponsor of the amendment or the sponsor of the bill?
14. I beg your pardon.
15. SENATOR BOWERS:
16. Sponsor of the bill, I'm sorry.
17. PRESIDENT:
18. Sponsor of the bill. All right, Senator Philip indicates
19. he'll yield. Senator Bowers.
20. SENATOR BOWERS:
21. Senator Philip, I heard you indicate that you had made a
22. commitment that this bill wouldn't go anywhere if it was amended
23. and I heard you mention a couple of names. Now, I'm curious about
24. that commitment, does that mean that the bill is to be Tabled if
25. this amendment goes on?
26. PRESIDENT:
27. Senator Philip.
28. SENATOR PHILIP:
29. A...Senator Bowers, I think I have made that commitment, that
30. I would accept no amendments. That's the only reason it got back
31. on the Calendar without a hearing and I would stick by my agreement
32. and I'll Table the bill on 3rd reading.
33. PRESIDENT:
34. Senator Bowers...oh. Any further discussion? Senator Regner

1. may close.

2. SENATOR REGNER:

3. Well, Mr. President and members, as I said, it doesn't take
4. long debate, everybody knows what the issue is. I don't think
5. that a delegate should be able to hide behind a smoke screen
6. of who they do or don't support. I think they should be upfront
7. as to who their first choice for a candidate should be and I would
8. urge a favorable roll call on this amendment.

9. PRESIDENT:

10. All right, the question is the adoption of Amendment No. 1
11. to House Bill 2813. Those in favor of the amendment will vote Aye,
12. those opposed will vote Nay. The voting is open. Have all voted who
13. wish? Have all voted who wish? Have all voted who wish? Take
14. the record. On that question the Ayes are 29, the Nays are 23.
15. Amendment No. 1 is adopted. Further amendments?

16. SECRETARY:

17. No further amendments.

18. PRESIDENT:

19. 3rd reading. On the Order of House Bills, 2nd reading, House
20. Bill 2818. Read the bill, Mr. Secretary.

21. SECRETARY:

22. House Bill 2818.

23. (Secretary reads title of bill)

24. 2nd reading of the bill. The Committee on Finance and Credit
25. Regulations offers one amendment.

26. PRESIDENT:

27. Senator Carroll...you wish to explain this amendment? Committee
28. Amendment No. 1 to the Motor Vehicle Retail Installment Sales Act.
29. Senator Nash, was it your amendment? All right, I beg your pardon.
30. Senator Nash.

31. SENATOR NASH:

32. Mr. President and Ladies and Gentlemen of the Senate. As
33. the bill came back from the House, the interest rates for car loans
34. was ten percent. We amended it in committee to 9...9.25.

HB 1179
and
11-7-79

1. PRESIDENT:

2. All right. Any further discussion? If not, Senator Nash
3. moves the adoption of Committee Amendment No. 1 to House Bill
4. 2818. All in favor signify by saying Aye. All opposed. The
5. Ayes have it. The amendment is adopted. Further amendments?

6. SECRETARY:

7. No further amendments.

8. PRESIDENT:

9. 3rd reading. All right, Gentlemen and Ladies, if I can
10. have your attention. We have but one bill remaining on House
11. Bills 2nd reading. At the conclusion of that, we will then
12. reconvene the Special Session. On the Order of House Bills
13. 2nd reading at the top of page 2 is House Bill 1179. Read the
14. bill, Mr. Secretary.

15. SECRETARY:

16. House Bill 1179.

(Secretary reads title of bill)

17. 2nd reading of the bill. Committee on Executive offers one
18. amendment.

19. PRESIDENT:

20. Senator Regner.

21. SENATOR REGNER:

22. Mr. President and members of the Senate. What this amendment
23. does, it strikes everything after the enacting clause so it eliminates
24. the previous bill and it...it changes the structure of the Cook
25. County Hospital and basically it...has eight points to it. It
26. abolishes the Cook County Hospital's Governing Commission. Two,
27. it provides that the Cook County Board of Commissioners assume
28. control over all health facilities formally operated by the
29. Commission. Three, it provides for the transfer of all assets,
30. obligations and documents of the Governing Commission to the
31. Cook County Board. Allows the Cook County Board to contract with
32. any corporation, hospital health care facilities or units of local
33.

1. government for the management of those health facilities formally
2. under the commission control. Five, the County Board is given
3. the responsibility of...preparing, publishing and holding public
4. hearings on a budget for Cook County Hospital. Six, maintain
5. semi-annual reports to the Illinois Department of Public Health.
6. Seven, the County Board must report to the General Assembly on
7. or before May 1, 1980 on the plans both operationally and capital
8. wise for making Cook County Hospital fiscally solvent operationally.
9. And it maintains the Auditor General has his ability to perform
10. independent audits. I'd ask for the adoption of Amendment No. 1.

11. PRESIDENT:

12. All right, Senator Regner has moved the adoption of Amendment
13. No. 1 to House Bill 1179. Any discussion? Senator Washington.

14. SENATOR WASHINGTON:

15. Will the sponsor yield for a question?

16. PRESIDENT:

17. Indicates he will yield. Senator Washington.

18. SENATOR WASHINGTON:

19. Senator Regner...was it you or the Governor of the State or
20. both that made the statement that unless this bill passed you
21. would not support the fifteen million dollar grant for Cook
22. County Hospital which is pending in the House now?

23. PRESIDENT:

24. Senator Regner.

25. SENATOR REGNER:

26. Well, Senator Washington, I made the statement, unless there
27. is some change to the operations of Cook County Hospital, I would
28. not support an appropriation. If you want to know what the Governor
29. said, I'd suggest you ask him because I really don't have that
30. constant communication knowing exactly what he says.

31. PRESIDENT:

32. Senator Washington.

33. SENATOR WASHINGTON:

1. Cook. But we have agreed and I have agreed personally and I've
2. not suggested nor have I talked with really any other members
3. from the Cook County group or from this...this side of the aisle,
4. that I have agreed that I will support this amendment, that I
5. will return, I will vote to return this awesome responsibility
6. to the fifteen elected members of the County Board and see if
7. they can straighten it out. To hear some of the conversation
8. here in opposition to this, you would think that the amendment
9. called for the closing of Cook County Hospital. I suggest strongly
10. again, nothing could be further from the truth. This is a
11. legitimate bona fide effort on the parts of the members of the
12. County Board both Democrat and Republican of the fifteen member
13. elected County Board of the County of Cook to save, to save,
14. that most valuable institution. Without this change, we have
15. been reliably informed the money will not be forthcoming. And
16. we desperately need that money to keep this hospital open. I
17. urge support for Amendment No. 1.

18. PRESIDING OFFICER: (SENATOR CARROLL)

19. There are ten more members who have sought recognition to
20. speak the first time plus some the second time. Further discussion?
21. Senator Martin.

22. SENATOR MARTIN:

23. Yes, briefly. Years ago when this hospital was given over
24. to the commission it was the intent of the General Assembly that
25. that hospital would return to the pre-eminence it had enjoyed for
26. years. and...under the county board, which it had lost. The
27. governing commission has not succeeded in that goal. You can
28. talk about giving it more time, but it has had time. It has been
29. fiscally inaccurate. The care given to the patients has been
30. questionable. Staff has lost its morale and the training insti-
31. tution that was a giant in the nation has become a hospital
32. that can no longer attract the best and brightest of the interns,
33. which was of benefit to the patients. And that ultimately

1. So, I'll amend the question then. You stated that unless
2. there is some change you would not support the grant to the
3. hospital.

4. PRESIDENT:

5. Senator Regner.

6. SENATOR REGNER:

7. Change of substance.

8. PRESIDENT:

9. Senator Washington.

10. SENATOR WASHINGTON:

11. I would take the position, Senator Regner, that...unless some
12. steps were taken, you might be justified in not wanting to support
13. the hospital. The question is what steps should be taken. Now,
14. I don't think a case has been made for the kind of piece of
15. legislation that you've introduced here by way of this amendment.
16. If you're saying that the governing board is not fiscally responsible,
17. what evidence did you have? We have called upon the Auditor General
18. of the State to give us a report, he hasn't come forward with it.
19. If you say that they're not...programmatically responsible, admin-
20. istratively responsible, where's the evidence? Because they have
21. been certified under this present board which they were not certified
22. before. It seems to me that what we should be about the business
23. doing, is trying to carve out some long range plan to effectuate
24. whatever changes might be necessary pending a reasonable, responsible
25. investigation of that authority, which has not been done to date.
26. I don't know of any responsible body that's investigated the
27. hospital and come up with a report. And I hope you don't name
28. the Illinois Legislative Advisory...or Legislative Council, the
29. Illinois Legislative Investigating Commission. I'm opposed
30. to this amendment and I think it should be defeated. I have on
31. the Table another amendment which I think is the only responsible
32. step which this Body should take toward a direction of bringing
33. some kind of peace and tranquility into the argument that's been

1. projected into the County Hospital. My amendment simply provides
2. that the present governing board has a year to come up with a
3. report on what long range plans they have for the...fiscal and...

4. PRESIDENT:

5. His point's not well taken, don't worry about it, Harold. Senator
6. Washington.

7. SENATOR WASHINGTON:

8. I have an amendment pending, as I said. This is not a
9. responsible amendment, I don't really understand the basis for
10. the amendment, it presumes certain things which have not been
11. proved and have to be proved only by investigation, which has not
12. been done. I do not believe that any responsible person, and
13. that includes Senator Regner, he might lead the charge. And it
14. includes the Governor. I don't believe any responsible person
15. would tell anybody in this State that they're not going to fund
16. this hospital, I don't believe that. And to hook this kind of
17. contingency upon it to me is ludicrous. If you're going to
18. change the present structure, you have an absolute responsibility
19. to trot out the evidence before you change one thing. I'm opposed
20. to this amendment.

21. PRESIDING OFFICER: (SENATOR CARROLL)

22. Any further discussion? Senator Hall.

23. SENATOR HALL:

24. Will the sponsor yield for a question?

25. PRESIDING OFFICER: (SENATOR CARROLL)

26. He indicates he will yield.

27. SENATOR HALL:

28. Yeah. Senator Regner, in the discussion yesterday and the
29. meeting, you know that all of our concerns were about the patients
30. who were in the hospital. Did you...or I imagine that we should
31. bring this out, in your amendment, do the employees who are
32. presently employed lose their seniority and become temporary
33. employees, if your amendment goes through?

1. PRESIDING OFFICER: (SENATOR CARROLL)

2. Senator Regner.

3. SENATOR REGNER:

4. Senator Hall, that's the way I would understand it, however
5. Senator Savickas commented in committee that based upon the
6. wordage on page 3 in his discussion with President Dunne that
7. those employees would be transferred over to the hospital. The
8. wordage on page 3 says all rights, duties and obligations of
9. the commission shall become the rights, duties and obligations
10. of the Board of Commissioners. So I do think that these employees
11. will be safe in their jobs and the...operation of the hospital
12. will continue, but probably under a much better form of management.

13. PRESIDING OFFICER: (SENATOR CARROLL)

14. Senator Hall.

15. SENATOR HALL:

16. Well, the...the question I'm trying to get, it's...you have
17. an interpretation that these employees and you're the sponsor
18. of the amendment, you have the interpretation that these employees
19. will become temporary employees. That...what I'm concerned about
20. is people who work for a number of years and they've been on the
21. jobs and now there's a danger that they will...because of the
22. change, that they will become temporary employees. I...I wouldn't
23. think that would be the right direction to go, especially for
24. people who have worked for a number of years and who are counting
25. on some time and with the situation and the crunch like it is today,
26. ...I think everybody wants to remain a permanent employee. But
27. you, yourself, are you still of the opinion that this means that
28. these employees will become temporary employees?

29. PRESIDING OFFICER: (SENATOR CARROLL)

30. Senator Regner.

31. SENATOR REGNER:

32. Well, my understanding, anyone that has a pension vested will
33. remain vested and that would be under the Constitution. So I really

1. don't have that fear for those employees losing their position
2. as you...you seem to think it might be possible, Senator Hall.

3. PRESIDING OFFICER: (SENATOR CARROLL)

4. Any further discussion? Senator D'Arco.

5. SENATOR D'ARCO:

6. Thank you, Mr. President. Will the sponsor yield for a
7. question?

8. PRESIDING OFFICER: (SENATOR CARROLL)

9. He indicates he will yield. For purposes of those members
10. who are seeking recognition, one moment, Senator D'Arco. We have
11. on the list in this order, after Senator D'Arco, Knuppel, Geo-Karis,
12. Newhouse, Chew, Bloom and Martin. Bruce and Netsch will be added
13. and any other lights we see. Senator D'Arco.

14. SENATOR D'ARCO:

15. Thank you, Mr. President. It appears that what you did was
16. take the Act creating the Governing Commission of Cook County
17. Hospital and delete the language referring to the hospital and
18. replace it with the University of Illinois Trustee language. So
19. we got...you know, in effect, you really haven't said anything
20. new or creative that would take place to replace the existing
21. Governing Commission, but we're going to give it...to the high
22. and mighty Board of Trustees of the University of Illinois who
23. sit upon a pinnacle someplace and dictate policy to all the
24. poor people that live in the Cook County Governing Commission
25. District, that's what you want to do.

26. PRESIDING OFFICER: (SENATOR CARROLL)

27. Senator Regner.

28. SENATOR D'ARCO:

29. Was that a question...Mr. President?

30. PRESIDING OFFICER: (SENATOR CARROLL)

31. It sounded like a rhetorical question, but if Senator Regner
32. seeks to retort.

33. SENATOR REGNER:

1. Senator D'Arco, if you would save those remarks for a
2. few minutes because that's Senator Philip's amendment which
3. is coming later.

4. PRESIDING OFFICER: (SENATOR CARROLL)

5. Channel...one second, Senator D'Arco. With leave of the
6. Body, Channel 20 asks permission to film. You don't have to
7. make your speech over again, however. Is there leave? Leave
8. is granted. Senator D'Arco.

9. SENATOR D'ARCO:

10. Well, Mr. President...I am vitally concerned about Cook
11. County Hospital because it's in my district. And I represent
12. many of the people that the hospital is servicing. I read the
13. Illinois Legislative Investigating Commission's Report...concerning
14. Cook County Hospital and it's...appears to me that even the investi-
15. gators indicated that IDPA was as much responsible for the lack
16. of funding in Cook County Hospital as much as any other agency
17. related to the functions of the hospital. I cannot understand
18. the necessity of going forward with the abolition of the
19. commission at this point in time. The Auditor General is doing
20. a audit of the finances at the hospital. I cannot understand
21. why we shouldn't wait until a report is issued by him concerning
22. the due responsibilities of all the governing bodies concerned.
23. When that comes back from his office then we can deliberate and
24. decide what is the best posture at that time. I think we're
25. taking much too quick of a...action at this point and to abolish
26. this commission and put all of these employees out of work
27. immediately, because I asked certain people on the Republican
28. side, well, can't we postpone it awhile and give these people
29. a chance to find new jobs? They said, no, they have to go.
30. And, you know, there's no way, they're going to be out of work
31. and there's nothing we can do about it. Well that's fine, Mr.
32. President, and I want them to know this. Saint Luke's Presbyterian,
33. that great noble hospital across the street from Cook County, they

1. don't take welfare people. They had a program with IDPA, but
2. because IDPA wouldn't process the checks quick enough for them
3. they said, no, we don't want your welfare people anymore. We're
4. only taking paying patients now. And don't give me the bunk that
5. private hospitals are going to care for these poor people because
6. no private hospital wants them. So take your amendment and you
7. know what to do with it.

8. PRESIDING OFFICER: (SENATOR CARROLL)

9. Any further discussion? Senator Knuppel.

10. SENATOR KNUPPEL:

11. Mr. President and members of the Body. Cook County General
12. is not in my district and anything that I know about it before
13. yesterday afternoon would be very vague. But I sat there for
14. four hours and listened and it reminded me of the six blind
15. men that went to see the elephant. One of them ran into his
16. side and said an elephant is like a wall. Another one got
17. a hold of his trunk and said it...it's like a snake. Another
18. one got a hold of his...his leg and thought it was like a
19. tree, et cetera. And it looks like everybody's got something
20. to say about what's best for Cook County General. But the
21. people who were there and anybody who sat and listened all after-
22. noon, there was nobody there in favor, nobody there in favor, of
23. this amendment. Everybody was opposed. The doctors spoke, the
24. staff spoke, the employees spoke. And while they condemned each
25. other at times, nonetheless, morale was high. And the biggest
26. problem that I could see with Cook County General was the
27. financial problem. Health care in our country has...has expanded
28. dimensionally, the cost of it, and here we have poor people who
29. can't pay for the health care they need and we...ashamed to assume
30. the responsibilities, whether at the local level or here, want
31. to shunt it under a peanut shell and move it from one point to
32. another. The fact of the matter is, there was no evidence warranting
33. his amendment. And while the presentation was most disorganized
34. as illustrated by my statement that they sometimes were attacking

1. each other, nevertheless, with all of their shortcomings, they
2. apparently have furnished those people, those masses, those people
3. who really need it, some kind of medical care. And I don't think
4. this amendment, just moving it from...from the...the present
5. commission it's under back to the Cook County Board or some
6. other shell game movement, is going to solve the problem of
7. Cook County General Hospital. It was admitted my most of the
8. people who spoke that there was some featherbedding and the
9. commission is trying to solve that. By most, it was provided
10. or said, even those who were there under the administration
11. when it was under Cook County...or under the County Board once
12. and now, that the administration today is better and more effective
13. and that the only real problems that these people have are organizing
14. the units among themselves so they're not bickering among themselves
15. and more money. Now I just can't see when a bill comes up, even
16. if it is for Cook County, and it doesn't affect me, I'll stretch
17. a hammock between two oak trees, after I get the hell out of here.
18. But Gentlemen, I cannot see, when everybody, every group, every...
19. every person that had an interest in that hospital appeared and
20. testified in opposition to this, that the politicians, that we
21. petty little people here on the Floor of this Senate can destine
22. the health and welfare and the care of so many people without
23. knowing anything substantial about it. Now, for those of you who
24. weren't there, let me tell you. There was not one person, not
25. one person who testified, not one witness in four hours who
26. testified the action this amendment takes was right. Now I know.
27. we got a lot of fancy pants with lace on them in Cook County now,
28. running the political scene, maybe that's different...away
29. they tell me. But I don't see anywhere at all that a vote for
30. this amendment can help solve the health care problems of our
31. State, the great City of Chicago or those masses who most need
32. the kind of medical care that Cook County General can furnish.
33. PRESIDING OFFICER: (SENATOR CARROLL)

1. Further discussion? Senator Geo-Karis.
2. SENATOR GEO-KARIS:
3. Will...will the sponsor yield for a question?
4. PRESIDING OFFICER: (SENATOR CARROLL)
5. He indicates he will yield.
6. SENATOR GEO-KARIS:
7. Can he tell me how many members are on this governing commission?
8. PRESIDING OFFICER: (SENATOR CARROLL)
9. Senator Regner.
10. SENATOR REGNER:
11. Nine.
12. PRESIDING OFFICER: (SENATOR CARROLL)
13. Senator Geo-Karis.
14. SENATOR GEO-KARIS:
15. Mr. President and Ladies and Gentlemen of the Senate. I've
16. had many calls from doctors in my area who do work at Cook County
17. Hospital. They feel that the governing commission is unjustly
18. accused of ineptitude and...inbalance and they feel that certainly
19. it should be given a better chance to continue because I don't
20. believe they've been in office for more...more than a couple of
21. years. And that is a massive hospital, it does serve many, many
22. people and I think it would be wrong now to change it and I
23. speak against the amendment.
24. PRESIDING OFFICER: (SENATOR CARROLL)
25. Further discussion? Senator Newhouse.
26. SENATOR NEWHOUSE:
27. Thank you, Mr. President. Mr. President, the events of the
28. last few days have been confusing in one direction and sort of
29. enlightening in another. I think we might have done ourselves a
30. favor if we'd come down here early on and just put together a
31. package that included the Transportation Bill and Cook County
32. Hospital and...and the Park District, a number of other items and voted
33. on them in one fell swoop. Apparently all these are part of the
34. deal, right, Senator? My confusion is this, that when this bill

1. first came up, and I seldom rise on partisan points, it was
2. a Republican bill and the point then was to create the Cook
3. County Governing Commission to take the hospital out of politics. I
4. don't regret that mine was the only Democratic vote that you
5. got to enable this to be done. Now, you're telling me from
6. the other side of the aisle that you want to give it back to
7. the Cook County operation from which you took it in the first
8. place because it was deep in politics. And secondly, you tell
9. me, that you're going to take the employees and put them on
10. temporarily, which is what you do...which is what you do, for a
11. ...for...for that kind of an operation. Now, you're going to
12. play Mr. Clean on the one hand and something else on the other,
13. I'm not quite sure where you are today. Now let's develop that
14. a little bit further. I got a great deal of concern for people
15. in trouble from that other side of the aisle this morning..
16. Senator Berning is not on the Floor right now, but I didn't
17. think it would be long before these issues would come back up
18. again and so they have. Yesterday, as a matter of fact, we
19. sat on this Floor and gave the Cook County or rather gave the
20. Park District twenty-five million dollars without referendum.
21. And at the same time, we turned our backs on a hundred and one
22. welfare mothers who are working and the cost of keeping them
23. at work for...for thirty days would have been forty-five thousand
24. dollars. And we spent forty-five thousand dollars worth of time
25. discussing it. Where do our priorities lie? We're talking about
26. a health care system for the people of this State. If you get
27. someone burned in Carbondale, he'll have to go to the Cook County
28. Hospital Burn Unit. I cannot believe, I cannot believe that the
29. Governor would not...may be responsible for...for financing
30. of an operation like that whether or not we get this amendment,
31. Senator. If you go to the kidney dialysis unit, you're going
32. to get people from all over. It's not...it's not a hospital
33. that solely serves a single community. This hospital is and has
34. been a community institution that has served this State well.

1. And if we're talking about letting it go down the drain for a
2. paltry fifteen million dollars when we turn around yesterday
3. and handed some certain individuals, more than that for their
4. private profit, without a referendum. Our priorities are
5. sadly misplaced. I don't believe it. I think we ought to fund
6. this hospital over the short range, send this amendment down
7. the drain and get about the business of promoting a decent health-
8. care system in this State and there will not be one unless we
9. keep one of its crown jewels and that is the Cook County Hospital.

10. PRESIDING OFFICER: (SENATOR CARROLL)

11. Any further discussion? Senator Chew.

12. SENATOR CHEW:

13. Thank you, Mr. New President.

14. PRESIDING OFFICER: (SENATOR CARROLL)

15. You're welcome.

16. SENATOR CHEW:

17. You know, I was driving down the highway the other day and I
18. saw a fellow from Mt. Prospect and he had seen a bus load of
19. patients going to County Hospital...and suddenly he decided he
20. was going to blow up the bus and he got his lips burned on the
21. exhaust pipe.

22. PRESIDING OFFICER: (SENATOR CARROLL)

23. It takes a little while, they're savoring that one, Senator
24. Chew.

25. SENATOR CHEW:

26. The County Hospital is an institution that not only should
27. be saved, but it ought to be improved and the only way you
28. can improve an institution of that magnitude is to fund the
29. necessary monies in for proper operation. It has been a sore thumb
30. with politicians since the Governing Commission has taken over.
31. We created this commission simply to take it out of the hands
32. of politicians. Because the people were enraged about it and
33. they reluctantly released the helms of County Hospital. Now

1. some of the finest people in Illinois are on that governing board.
2. Nobody has been able to prove one thing against any member of
3. that governing board, nobody, and there have been investigations
4. after investigations. I suspect there is an undercurrent to dump
5. the executive director. Well let me tell you something, the
6. executive director has a medical license, he's a medical doctor.
7. And even in yesteryears medical doctors didn't hold tag days.
8. So I more or less think he was doing us the courtesy of running
9. the governing board and the hospital more than we're doing him
10. one by keeping him. The simple matter as to why County Hospital
11. is having problems is because we have failed to fund it, and
12. money is what they need. And I'll assure you if we ante up
13. the necessary funds for County Hospital, you will not be getting
14. the vibes. People don't realize and maybe some of us who have
15. not been to County Hospital don't realize, but County Hospital
16. is run by professional people, doctors and nurses and competent
17. aides. It's not like a rock quarry, these are professional
18. people. Sure, the Department of Public Aid has failed to pay
19. their bills to County Hospital. Everytime the issue comes to the
20. Legislature, everybody wants to tie their mother's birthdates
21. and the daddy's death certificates to funding County Hospital.
22. It's a simple matter that we ought to go on, give the County
23. Hospital the necessary funds, keep them audited, keep the governing
24. board, keep the hospital as it is and give them their money. Now
25. we can make all kinds of superficial charges, but not one thing...
26. has been proven against the members of the county...of the Hospital
27. Governing Board. Some of the best qualified people in the State
28. serve on that board. It's an institution that do not turn away
29. patients. And hospitals across the streets are turning down
30. patients of an emergency care and I'm certain they're quilty
31. of that too. But we've had a problem with private...private
32. hospitals in Chicago and I suspect in other parts of the State.
33. And the problem has been, unless you've got your money on your

1. tongue when you arrive in there half dead, they tend to let you
2. die rather than to serve you. County Hospital has just the opposite
3. record. With money or without money, they give you the best medical
4. service available. And if we...gonna tie all of these things against
5. a lousy fifteen million dollars, then it doesn't seem that we're
6. responsible down here. County Board has a responsibility, the
7. City of Chicago has a responsibility, the State of Illinois has
8. a responsibility. We're all...in this thing together. And I
9. would suggest that we defeat this amendment and defeat it
10. soundly so my distinguished friends will not pick on County
11. Hospital anymore. We've just given millions of dollars to
12. create a new law school, Northern Illinois and every other project
13. that comes up down here. We are dealing with people's lives.
14. Live or die according to the kinds of services that can be
15. rendered to these patients. And it's too big for us to play
16. with. We don't have any medical authority serving in this
17. Body as the Senate, we have politicians, who always got their
18. interests at heart and very rarely the other interests of those
19. that can't help themselves. Gentlemen and Ladies, let us not
20. be so biased and small. Let's get on down to funding the hospital,
21. they're only asking for fifteen million dollars to go through this
22. short period of time, then we have ample time to relate to programs
23. of long term funding. Let's not play politics with it, it's
24. absolutely needed. And I challenge you, if you can find somebody
25. else better to run the County Hospital, then get them. But let
26. us not allow people to die simply because we're trying to get
reelected next time. Thank you.

27. PRESIDING OFFICER: (SENATOR CARROLL)

28. Further discussion? Senator Bloom.

29. SENATOR BLOOM:

30. Thank you, Mr. President and fellow Senators. Now this issue
31. is a troublesome one, it's been with us. It's been with us for
32. about ten years as long as we've had the governing commission. It's
33.

1. like the fellow who says, "you remember last year when I said
2. I was broke and I'll never forget you," and his benefactor said,
3. "yes," he said, "well, I'm broke again." Here's the problem.
4. Transfusion of funds into County Hospital on an ongoing basis
5. is all well and good, but we really have to stop the hemorrhage.
6. Prior speakers have said, prior speakers have said, well, this
7. amendment and the amendment that is to be offered assumes facts
8. that have not...been proved by an investigation. The Legislative
9. Investigating Commission did attempt to get to the bottom of this
10. situation and the Comptroller of the County of Cook gave testimony
11. that was uncontraverted, repeat, uncontraverted, that he had
12. been unable for at least the last three years to get unmassaged
13. numbers from the Governing Commission and the Executive Director
14. of County Hospital, that they were getting, borrowing money without
15. providing even an unmassaged monthly cash flow of what was going
16. on. When the executive director came before the commission, he
17. was asked, you know, have you got it now as we sit here today,
18. unmassaged numbers showing how you're handling these funds? And
19. his response was, I'm not a CPA. And his response was that he
20. was insulted that we could talk about anything so tacky as the
21. taxpayers' money. Somehow, somewhere, in some way, we ought to be
22. able to stop the hemorrhage of dollars if we're going to continue
23. this transfusion of funds. Thank you.

24. PRESIDING OFFICER: (SENATOR CARROLL)
25. Further discussion? Senator Rock.
26. SENATOR ROCK:

27. Thank you, Mr. President, Ladies and Gentlemen of the Senate.
28. I find myself in an unusual position because I agree with many
29. of the things that the three previous speakers from the County of
30. Cook have said, except, frankly, that I'm coming to a different
31. conclusion. I intend to support this amendment and I sat in the
32. committee yesterday and suggested that to some of the members who
33. were testifying in opposition, because I suggest to you, for those

1. of you who were there and heard, that the primary concern of the
2. medical staff and the employees was that somehow a return to
3. the responsible county board, the fifteen member elected County
4. Board of the County of Cook, would somehow result in either a
5. diminution of service, a diminution of the size and scope of the
6. hospital or perhaps a closing. And frankly, nothing could be
7. further from the truth. The members of the county board, both
8. Democrat and Republican, who have long wrestled with this problem,
9. have come to the conclusion that the only way to get the thing
10. straightened out is to reluctantly, and I underline reluctantly,
11. they are not delighted with this amendment or this proposal, but
12. they have reluctantly agreed to take it back for the purpose of
13. attempting a long range solution. The establishment of that
14. commission as an independent entity was a noble experiment
15. and one that in the judgment of virtually everybody, Democrat,
16. Republican, professional, nonprofessional, has, in fact, failed.
17. They simply haven't been able to cut it. And now this amendment
18. calls for a return to the county board, to the fifteen members
19. that we elect in Cook County who are directly charged with this
20. responsibility and it's an awesome responsibility. The care of
21. the medically indigent is something that we simply can't turn
22. our back on and I will suggest to you that the members of the
23. county board are much more aware than are we. There is no intent
24. to close or in any way diminish the service that's provided. What...
25. there is an attempt, I suggest to you very strongly, is to keep
26. the hospital alive because it is dying folks, right now. And
27. unless we can infuse some new money, and it's been made pretty
28. clear that to pour good money after bad, which we have been doing,
29. lo these ten years, with no apparent administrative change, simply
30. will not happen. Now I'm prepared to vote for fifteen million
31. or fifty million to keep this hospital open, it's absolutely
32. essential for my district, for Senator D'Arco's district, for
33. virtually every district in the City of Chicago and the County of

1. should be the goal of this General Assembly, what is best for
2. the patients. Now if the General Assembly felt that the county
3. board had not accomplished this purpose, we are now being asked
4. to return it to that body which was judged unable to cope with
5. that situation years ago. So we've got two things that I think
6. we can suggest that are fact. One, the governing commission is
7. not working out, as well intentioned as that may be. And two,
8. we could give it back to a county board that it was removed
9. from because it didn't do the job. Now, it may be a new county
10. board, but those same problems that existed would recur again.
11. It should not be our concern totally about the employees of
12. the hospital or the director of the hospital. The patients of
13. the hospital, present and future, are the legitimate concern
14. of this General Assembly. I would suggest to you that it
15. may well end up back at the county board, but there is one other
16. amendment coming and that is to give it to the University of
17. Illinois, who doesn't want it, because it's a lot of trouble.
18. But that university should be able to handle this and it seems
19. to me that that is a viable solution and one that avoids some
20. of the dangers that either this amendment or the current practice
21. now has. Now Senator Weaver may never speak to me again because
22. of that. But I would suggest to you that this is the only chance
23. to return that hospital to the aura of excellence that it
24. enjoyed and no longer does and that no other amendment is the
25. appropriate one but that. It may lose, but returning it to
26. the county board or keeping it...as it now exists is no answer
27. either.

28. PRESIDING OFFICER: (SENATOR CARROLL)

29. Further discussion? Senator Bruce.

30. SENATOR BRUCE:

31. (Machine cut-off)...President and members of the Senate. I
32. had a chance to go through four or five hours of testimony yesterday
33. and became an instant expert on Cook County Hospital. And I guess

1. we had three groups talking in there, we discussed the employees,
2. the taxpayers and the patients. Let me just talk about what I
3. consider the least important of those three, the employees first.
4. They were very concerned about their rights as employees and
5. exactly what was going to happen to them, a legitimate concern
6. in this economy. So last evening I had a chance to review what
7. the National Labor Relations Board has said about assuming
8. rights, duties and obligations by employers of employees who
9. have changed positions. NLRB opinions generally
10. say that where a majority of the employees or...or they are
11. substantially involved in similiar activities, the new
12. employer has to assume all the rights, duties and obligations. But
13. that doesn't totally answer...answer the question because NLRB
14. has only extended jurisdiction in Illinois to nurses and there's
15. a great number of people who are considered public employees
16. who are not nurses at County Hospital that are not covered by
17. NLRB rules and decisions of the Federal Courts. So if you
18. turn to the Illinois Legislative history, there is no...state-
19. ment by this General Assembly. We've not said that any public
20. employee has the right to organize and bargain collectively. So
21. you turn to the Statute involved and it says rights, duties and
22. obligations, on page 3, lines 21-23. And Ladies and Gentlemen
23. I want you to know that as far as I can tell under Illinois Law
24. and the County Board of Cook, they are under no duty, no obligation
25. and the employees have no rights whatsoever,once this is transferred.
26. Now they have a duty, obviously, to do what they think is right, but
27. they only have the duties and obligations set forth by Statute.
28. That...those powers and duties the county board are set forth and
29. there's nothing in that Statutory authority of county boards that
30. says that when you assume a new facility, you assume it with all
31. of the rights of those employees. And so they have no rights,
32. duties or obligations under Illinois Law that would be enforceable.
33. And I think that that is a shame that those employees go forth

1. without any guarantee that they'll be...going to be on the
2. payroll the next day. Their collective bargaining rights are
3. in question, their pension rights are in question, their seniority
4. is in question and no one has said whether or not there's going
5. to be any kind of Civil Service System instituted by the county
6. board. Secondly, the taxpayers are involved because on page 6,
7. line 17, we've seen fit to remove the twenty-five percent cap
8. that can be levied against real estate in Cook County to operate
9. the hospital. It goes back to county board without a cap. And
10. finally and most importantly, are the patients. We had a chance
11. to listen to a great deal of testimony and I was persuaded by
12. not only one individual, but all, that Doctor Pildus who happens
13. to be the Director of the Newborn Division of the hospital convinced
14. me more than any other person. She has been there since 1963.
15. She took over that division with a total annual budget of eight
16. hundred dollars to run the newborn division with about sixty
17. children on the average. Her budget this year runs around seventy-
18. five thousand dollars and she says she now has adequate care,
19. that finally the rate in...in Chicago among blacks has declined
20. for the first time, to where the...the number of deaths of newborns
21. has somehow...we're gaining, we're making progress. I know what
22. we're involved with here and frankly it's a fifteen million dollar
23. blackmail. Now, the Governor said very clearly, if you change
24. this Statute, you can get the money. Well, I personally, will
25. support the money without the change and I think that there are
26. enough people with conscience on this Floor that we can say to
27. the patients that go there throughout the State of Illinois that
28. we won't be party, that we won't participate in the blackmail.
29. That we're not going to get a call from the Governor ransoming
30. the...the patients of Cook County to make a change and give it
31. to somebody like the University of Illinois that has said in
32. testimony, written testimony by President Eichenberry that he does
33. not want this facility. Now there's more than fifteen million

1. dollars involved here. In human cost, there's a great deal more.

2. Thank you.

3. PRESIDING OFFICER: (SENATOR CARROLL)

4. Further discussion? Senator Netsch.

5. SENATOR NETSCH:

6. Thank you, Mr. President. Senator Bruce has now touched upon
7. what I think is the...a point that had not been made clearly and
8. needed to be made. Let me just make it in slightly different
9. terms. The...he is absolutely correct that the most critical
10. factor involved is the patients and I have heard a number of
11. people on this subject now say, I heard it from Senator Bloom,
12. Senator Rock, Senator Martin and some others, that somehow
13. counties...County Hospital's troubles started when the commission
14. took over and it's been all downhill since that. That is not
15. the fact of the matter at all. The reason why County...why
16. the Hospital Commission was created in the first place was
17. that Cbunty Hospital was in desperate circumstances, not so
18. much fiscally in the terms that we are talking about it now,
19. but in terms of its quality of care. It was in danger of losing
20. its accreditation, there were people jammed in the halls all
21. up and down. No...they could not get any residents or interns
22. to come and do their service at that hospital. That is the
23. moment at which the quality of care was an abomination and some-
24. thing had to be done to change that. I...I don't think I ever
25. had any illusions and probably many others that just simply,
26. "taking it out of politics and creating a commission was going
27. to be an ultimate solution to it." But the one thing factually
28. that is absolutely different is that County is no longer a tenth
29. or twenty-fifth rate hospital, it may not be giving quite the
30. quality of care yet that some of us would like for it to be
31. able to give, but it is a hospital now and it is giving care
32. to a lot of people who would not be getting it any other way.
33. Its accreditation is in no dispute. There are interns and

1. residents who look to County and want to do service there. It
2. has got a first rate, maybe first and a half rate, medical program
3. for those people whose only source of care is at County Hospital.
4. Now, it may well be that the other problems have reached a point
5. where eventually we are going to have to make some other administrative
6. change in the governance of County Hospital, but to blame it on
7. the commission, which has done the one thing that could not be
8. done beforehand, just makes no sense at all. If we are already
9. saying that this is going to be a temporary expedient and as I
10. understand it, that is the purport of Senator Regner's motion,
11. or amendment, then why have one change now and another change
12. next year and probably still we may not have worked out the
13. administrative problems that are going to...that are involved
14. in the fiscal problems of the hospital. We've got time to think
15. about those and that's what we ought to take, time. In the mean-
16. time, let's not endanger what is at least a halfway decent quality
17. of care that people are getting now that did not exist at all before.

18. PRESIDING OFFICER: (SENATOR CARROLL)

19. Further discussion? Senator Philip.

20. SENATOR PHILIP:

21. Thank you, Mr. President. Will the sponsor yield for a
22. question?

23. PRESIDING OFFICER: (SENATOR CARROLL)

24. He indicates he will yield.

25. SENATOR PHILIP:

26. I'm interested in knowing in regards to the tax rate. Is there
27. a tax rate for the Cook County Hospital or their...does their
28. funds come out of the General Fund?

29. PRESIDING OFFICER: (SENATOR CARROLL)

30. Senator Regner.

31. SENATOR REGNER:

32. Under this amendment, Senator Philip, it will come out of
33. the General Funds and as a home rule unit they can levy what

1. is necessary. The cap that was in is taken off in the amendment.

2. PRESIDING OFFICER: (SENATOR CARROLL)

3. Senator Philip.

4. SENATOR PHILIP:

5. You still didn't answer my question. Are they operating
6. now under a tax rate just for the Cook County Hospital? Do
7. they have a tax rate for the hospital now and now you're switch-
8. ing it to the General Fund?

9. PRESIDING OFFICER: (SENATOR CARROLL)

10. Senator Regner.

11. SENATOR REGNER:

12. Yes, right now, there is a tax on it. There is a cap of
13. .25. Under this amendment that cap is taken off and the County
14. Board can levy what is necessary to run the hospital, but
15. currently there is.

16. PRESIDING OFFICER: (SENATOR CARROLL)

17. Further discussion? Senator Collins.

18. SENATOR COLLINS:

19. Thank you, Mr. President. I rise in opposition to this
20. amendment for many reasons. Many of the points have been touched
21. on by other members...who...who had spoken before me. But I
22. think the most significant statement made on this Floor are
23. Senator Netsch was, in fact, made by Senator Martin. I think
24. you misinterpreted what she said. And that is why should we
25. transfer this Body back to the same Body that actually started
26. the problems and demonstrated that they could not manage the
27. hospital in the first place. That's the issue here. We're
28. talking about transferring the operation back...the management back
29. to the county board. I think they have already demonstrated the
30. fact that they could not manage this hospital. Another point
31. that I would like to reiterate is that what Senator D'Arco...
32. he mentioned the fact that to...to support this amended really
33. precludes the fact that there's something that the financial

1. problems with Cook County Hospital can be contributed only to
2. mismanagement by the...by the commission, that is not true. There
3. has not been any evidence to substantiate that charge. One
4. of the things that has not been mentioned here and that is the
5. whole problem of financing the hospital. In talking to the
6. members of that commission and to the officials of that hospital
7. one of the consistent problems has been the...not mismanagement, but...
8. but the lack of adequate funds to manage. They don't have the
9. funds to manage because of the systems that is in place now where
10. a lot of people go to Cook County and receive services and the
11. State or the Federal Government, they're not qualified for rein-
12. bursement or those who are, it takes so long in order for the
13. money to come into the...to...to be reimbursed...the hospital to
14. be reimbursed. That is one of the major problems that change in
15. the administrative body is not going to resolve. What we should
16. be talking about here is long range plans to insure that that
17. hospital have adequate funds to operate. Nothing in this amend-
18. ment deals with that. The only consistent thing about this amend-
19. ment or the only validity that I can contribute to this amendment,
20. that it is consistent to the way this Body, since I've been here,
21. has responded to many issues before. Every time there is a cry
22. from the public or demand from the public to respond to some
23. kind of critical issue that affect the lives and...and health
24. and safety of the poor, we jump in and we say, okay, we're going
25. to solve the problem for you. Without any thought, any real
26. planning, any...valid reason...behind what we do here, all we do
27. is we react because of...our constituency says we must do something
28. about their problem. I think the amendment that will come up
29. that will be offered later by Senator Washington, Newhouse and
30. myself is the only real way to deal with this problem, is to allow
31. that commission to submit a plan to deal with long range
32. financing of Cook County Hospital. And I'd urge all of you to
33. please vote against this amendment. And if we're going to do

1. anything at all, for the first time in our lives, stop, take time,
2. so that any decisions that we make here today will be long term
3. and not piecemeal.

4. PRESIDING OFFICER: (SENATOR CARROLL)

5. Further discussion? Senator DeAngelis.

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End of Reel #4

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1. SENATOR DeANGELIS:

2. Thank you, Mr. President and memberpersons of the Senate.
3. I find the rhetoric that I am observing today quite disturbing
4. because it is implied in the debate that if you support this
5. amendment, you are against the poor and you are biased. If you
6. vote against the amendment, then you are for the poor and you are
7. not biased. I would submit that the opposite is true, for by
8. voting for the amendment, you express the concern and you want to
9. see something change that is not working because while it is not
10. working, the losers are the poor. Now, I sat in the Appropriations
11. Committee when the Director of Cook County Hospital appeared. It
12. has been mentioned that nobody knows what's wrong with the county.
13. Well, I'll tell you why we don't know what's wrong with the county.
14. When the director appeared, not one member of some of the best
15. orators of the Senate chose to ask him a single question regarding
16. the county and with due respect to the fine chairman of our
17. Appropriations Committee, who generally has hundreds of questions
18. to ask, he, too, was mute on the point. Senator Washington, I
19. have your concern and I am sure you are sincere in wanting to get
20. to the problem of the county, but..if what I have seen in the past,
21. regarding getting to what is the problem at the county is going to
22. be done in the future, we will never see the light of day on that
23. one and I think this is the first opportunity, since I have been
24. here, and I reside in Cook County and I am concerned about that
25. hospital...the first piece of evidence that someone is willing to
26. do something about changing what's going on in the county. I vote...
27. I suggest that we support Senator Regner's amendment.

28. PRESIDING OFFICER: (SENATOR CARROLL)

29. Further discussion? Memberperson Becker.

30. SENATOR BECKER:

31. ...President and members of the Senate, I believe every Senator
32. in this Body received an invitation to take a tour of the County
33. Hospital last winter. While it's true the snow was possibly a foot

1. deep outside the hospital, I believe there were only five of us
2. Senators who saw fit to find the time to tour that hospital from
3. the basement through the top floor and I believe it was Senator
4. Collins, Senator Newhouse, one other Senator, myself and there was
5. a State Representative and I was amazed...number one, of the care
6. that the patients were receiving in the hospital. I was amazed
7. at the cleanliness. The people, the service they were receiving
8. in the clinic and the number of people who were being turned away
9. because they didn't have the green cards and supposedly, were
10. making a sufficient amount of money in a ballpark figure of four
11. thousand dollars with a family of four that were turned away
12. because they were making too much money, but what surprised me
13. most is what Senator DeAngelis just said, that the Senators didn't
14. have too many questions to throw. I didn't think they would because
15. they didn't go up to the maternity ward to see a hundred premature
16. babies, just a little over four months old, that you're paying
17. hospitals throughout and sent to the county to be cared for, for
18. a period of four or five months and possibly a cost of sixty
19. thousand dollars. Today, we can send patients to Loretta Hospital
20. with a broken arm and they are sent to the County Hospital because
21. they don't have cash in their pocket and the Loretta Hospital will
22. not accept Blue Cross, Blue Shield or any other hospital plan. I
23. fully agree with Senator Chew's statement. There's got to be another
24. way. I can't agree with the President of the Senate's statement,
25. that it should be turned back to the county board because I can
26. assure you, members of the county board have already told me, close
27. the County Hospital. That isn't the answer. It's for the needy,
28. not the greedy. Members of my own family, during the Depression,
29. received care at the County Hospital because no other hospital would
30. accept us. We didn't have the money. So, before you push a button,
31. think a little bit. You received the invitation to tour that
32. hospital, to ask the questions and the most important one that I
33. asked and received a favorable answer to...are you receiving care

1. and the patients told me, "Not only good care, but good food."
2. I rise in opposition to this amendment, even though it comes from
3. a member of my own party and a statement from the Governor.
4. While revenues are increasing weekly, monthly, yearly in our State,
5. we can throw money galore at colleges, at community colleges, at
6. universities, but we forget about the poor and the needy. I
7. recommend a No vote.

8. PRESIDING OFFICER: (SENATOR BRUCE)

9. ...discussion? Senator Nimrod.

10. SENATOR NIMROD:

11. Thank you, Mr. President. Ladies and Gentlemen of the Senate,
12. I'm one who has toured that hospital. I toured that hospital many
13. years ago and in my work within Cook County and as involved in that
14. administration under the presidency of Richard Ogilvie, we had a
15. chance to face the issue that was there. Here was a hospital that
16. was known throughout the world that outstanding doctors and
17. physicians and interns were looking for an opportunity to come there
18. and serve, free of charge, with one of the best reputations known
19. anywhere in the world and especially this country. The burn
20. unit was receiving young people from all over the world, flying
21. them in for special treatment. What's happened to that hospital?
22. That hospital was there to provide service for the poor. What's...
23. in fact is happening, we've had the deterioration of service. We
24. have had an increasing of cost. We have had a loss of staff that
25. is no longer there to...clamors to provide free services and help
26. to those who are in need. We have come to be running a hospital
27. that no longer represents the kind of a hospital that we knew
28. in the past. When there was a problem, I think elected officials
29. had a responsibility to see if they could find an alternative. They
30. tried one. What is wrong with saying they have made a mistake, that
31. it was wrong, it hasn't worked, that we have, in fact, increased
32. the...ratio between patients and the employees to what is almost
33. double what it is in other areas. We've...in fact, we've taken...

1. we pay twice as much for blood there for use in that hospital
2. because they use frozen blood, than we do in other hospitals
3. where they use fresh blood. Why? What...I'm aware of many
4. employees who left the county and went to work for the hospital
5. who were put out of a job and are no longer there. Why? I
6. know that... I know that the fact is that where there were
7. people working in that hospital performing services, they have been
8. removed and were on contractual services and it's costing us more
9. money than it did before where the net result is less service,
10. less care and concern about them. When we have a problem that's
11. entrusted to the elected officials and it still is the responsibility
12. of Cook County, I think it's only right that we in this State say,
13. "You elected officials of Cook County, you're responsible. We
14. want...we don't want that hospital to close, but the system you
15. selected before has not worked. What we want you to do is come
16. up with another system, another program that can work, but in
17. the meantime, keep that hospital running." Why do we want to
18. say that it has to go status quo? Why aren't we willing to face
19. the problems that exist in that hospital today. All we've got
20. to do is say, "Keep the hospital running, provide the best care
21. we can and improve it to what it was many years ago, as it was
22. recognized throughout the world." It's the county officials'
23. responsibility and it's our responsibility as State officials to
24. return it to them and let them come up with another proposal.
25. We can't sit here and run every little thing that happens. We
26. talk about local government and being willing to want to help
27. them. Well, here's a problem where it's a responsibility to the
28. poor and if they are to be handled properly, the only place to
29. do it is to put onus back on those elected officials that those
30. people in Cook County have elected and let them be responsible
31. for the jurisdiction and the care of those children and all
32. those patients. I think this is a good proposal and it's been a
33. long time in coming and it's one of the first times that we are

1. going to be able to, as Legislators, stand up and say we're going
2. to do something right.

3. PRESIDING OFFICER: (SENATOR BRUCE)

4. Senator Grotberg.

5. SENATOR GROTBORG:

6. Well, thank you, Mr. President and members of the Senate.
7. The dialogue is getting lengthy. I'll try to be brief, but I
8. feel that God, in His wisdom, must have known what He was doing
9. when I inherited Betty Hoxsey's bill to amend the Public Health
10. Act and do something about fence watchers in Illinois because
11. that's the vehicle we are using and I pleaded with Senator Regner,
12. as he asked me to use this pony to bring the freight home, that
13. he would leave my name on the bill because in the eight years
14. that I have been sitting in this Body, we have been the fence
15. watchers of Cook County Hospital. I would like to get off of that
16. fence. I think one of the missing commentaries that has been
17. omitted today is that when this commission was created, Cook
18. County was not a home-rule county. It is my understanding that
19. this was created under the old Constitution to get out from under
20. the bedlam that was then going on at the county board level. Since
21. then, we have a very powerful county board in Cook County with
22. home-rule powers, the only one in the State and I actually believe
23. that there are some Republicans on that board and that's kind of
24. a treat. I know that somebody on that board knows how to run
25. things if we have Republicans on it. I think it's high time that
26. the State of Illinois stop manipulating and massaging individual
27. institutions. Dr. Haughton, I even know him as Jim...that's how
28. fond we've become of one another because he lives down here every
29. time we are in Session. Why should we aggravate ourselves with
30. that kind of a situation when we can turn it back where it belongs
31. with taxing powers of full blown home-rule county board authority
32. and I have a personal interest in this matter. Two of my children
33. were born at Cook County Hospital and I have been very close to that

1. hospital for twenty-five or thirty years and I think it...we can
2. save it quicker by putting it closer to that body than we can
3. by running around over a six hundred mile long State trying to
4. win pro votes for Cook County Hospital, no matter what they want,
5. from Cairo to Waukegan. I recommend that we adopt this amendment.

6. PRESIDING OFFICER: (SENATOR BRUCE)

7. Senator Johns.

8. SENATOR JOHNS:

9. Thank you, Mr. President. A few days ago, I had the privilege
10. of being invited to..Chicago area to speak to the American College
11. of Physicians, primarily made up of internists who...probably the
12. elite group of physicians throughout the United States, very, very
13. knowledgeable, very, very concerned about Cook County Hospital.
14. These are the facts that I gleaned from conversations with several
15. of them and these are men dedicated to the profession. They said
16. there was about nine members on the board and that the governing
17. board did not have the attendance, that the work load was on a few.
18. They did not recommend to me, as I recall, a replacement by the
19. University of Illinois with this governing body, but instead, they
20. said perhaps consideration should be given to replacement of some
21. of the members of the nine member board. That is another way
22. that Senator Decker might look at, a replacement of those that...
23. Senator Becker...that might be a way to look at in the way of
24. improving the operation, the possible reappointment of new member-
25. ships. Senator Regner, could you answer a question for me?

26. PRESIDING OFFICER: (SENATOR BRUCE)

27. He indicates he will, Senator Johns.

28. SENATOR JOHNS:

29. Do you have any idea how many outpatients are served by this
30. hospital?

31. PRESIDING OFFICER: (SENATOR BRUCE)

32. Senator Regner.

33. SENATOR REGNER:

1. Three hundred thousand.

2. PRESIDING OFFICER: (SENATOR BRUCE)

3. Senator Johns.

4. SENATOR JOHNS:

5. I'm glad your staff was there. That's right. Around three

6. hundred thousand outpatients, preventative measures of medicine,

7. if you will. Do you realize how many patients are there now?

8. There he comes again...because I love all this State and I'm

9. interested in all this State. You wanted to know why I was interes-

10. ted...

11. PRESIDING OFFICER: (SENATOR BRUCE)

12. Senator Regner.

13. SENATOR REGNER:

14. Patient beds are thirteen hundred and seventy-three. 1978

15. patient days came to three hundred and seventy-four thousand three

16. hundred and sixty-one.

17. PRESIDING OFFICER: (SENATOR BRUCE)

18. Senator Johns.

19. SENATOR JOHNS:

20. Thank you, Senator. Many of you don't know it, but Linda

21. Darnell, a very rich and famous person, was brought there for burns

22. treatment and I found this out and that it's one of the best in

23. the country. There are many, many people who used to be employed

24. there that are in private practice now that wish to see this

25. facility continued. The kidney dialysis center, rated as one of

26. the best. You say how does a little old country boy from Southern

27. Illinois ever get interested, but I tell you, patient care is

28. what we are after and I say that to turn it over to the University

29. of Illinois, who doesn't even want it, who won't even have their

30. heart in it, is absolutely absurd because universities have a

31. tendency to take on more and more money, worse than this hospital will

32. ever asked for, so I ask you to consider what I see as the right-

33. ful solution to this and vote No on this amendment.

1. PRESIDING OFFICER: (SENATOR BRUCE)

2. Senator Wooten.

3. SENATOR WOOTEN:

4. Thank you, Mr. President. I just thought since everyone has
5. spoken, I didn't want to be left out. I do want to point out a
6. contrast and a caution though. I was struck with the disparity of
7. my duties yesterday as an Illinois State Senator. I had to spend
8. most of my time in the Finance Committee instead of chairing
9. Executive Committee which would be my normal role and Senator Bruce,
10. very kindly, took over the Executive Committee and along with
11. many others, got to hear all the testimony. I only heard two
12. people speak in there...the complete testimony of two people, Com-
13. missioner Hadley and one of the doctors whose name I have forgotten
14. and I heard more sense from those two than I heard in four and an
15. half hours in Finance and I thought that really what we were doing
16. in Executive was far more important to citizens than what we did
17. in Finance. In Finance, if you look right to the heart of the
18. matter, we are trying to save an industry, make things a little
19. bit possible for the financial institutions to continue and for
20. the wealthy to continue to buy and sell homes, but in Executive,
21. we are talking about a hospital, the third largest in this country,
22. one of the major medical institutions in the world, and it had
23. gotten itself caught in a very interesting situation and this is
24. the note of caution I'd like to give you. I believe we are in a
25. position that has developed without a whole lot of thought, a lot
26. of feeling, but a lot of thought. The Governor is disposed to give
27. fifteen million dollars to help the hospital out of a situation
28. that is really not its making. I think everyone lays it at the
29. door of the Illinois Department of Public Aid and they are
30. creating problems all over the State, but in Cook County Hospital,
31. where you have a contentious staff, a somewhat isolated and may-
32. be to some extent, insulated administration. They are not in the
33. political process. They tend to be a little uppity and doctors

1. who really work with patients tend to be more socially active
2. than doctors who are working on their stock portfolio so you are
3. going to have just a little more activity there and they do become
4. obstreperous, but in the main, their problems derive from the
5. failure of the Illinois Department of Public Aid to pay its bills
6. and pay them in a timely way, but because the Governor is ready
7. to give them the money, something like the old Puritan ethic rears
8. its head that if we are going to get the money, we ought to get
9. something in return and that something ought to be some kind of
10. gesture, some kind of sign and once again, we are dealing in a
11. symbolic level and we are not looking very closely at the substance
12. of what will follow. The more responsible procedure would be to
13. take a little more time. We are rushing pell-mell into subjects
14. and in many of them, we are not well prepared to make sound decisions
15. and I tell you that although this is not the hottest issue in
16. terms of all our political lives and interest, it is the one that
17. is perhaps most important in ultimate terms because it deals with,
18. as I say, an institution that really helps people that have got
19. no other way to get this kind of help. There's nothing wrong with
20. waiting. There's nothing wrong with looking at it more closely.
21. We just don't know enough to take this gesture in return for our
22. fifteen million dollars. I'd say give them the money that they need.
23. Let's look at it a little more closely and then make a somewhat
24. more reasoned decision is what ought to be done. We're really
25. shooting in the dark. I ask that we defeat this amendment.

26. PRESIDING OFFICER: (SENATOR BRUCE)

27. Further discussion? Senator Regner may close. Oh, excuse
28. me. Senator...Senator Don Moore, did you wish to speak? Senator
29. Moore.

30. SENATOR MOORE:

31. Thank you, Mr. President and members of the Senate. We
32. have heard an awful lot about County Hospital, but there is another
33. hospital involved in this commission that I am vitally concerned

1. with and that's called Oak Forest Hospital who has developed a
2. reputation over the years of starting off as the county poor house
3. in Cook County and today, being one of the or perhaps the leading
4. geriatrics hospital in the nation. It's the only licensed
5. chronic disease hospital in the State of Illinois for treating
6. the ailments of the old, the old people who ordinarily would
7. be thrown into the county poor house. Oak Forest happens to be
8. in my district and I know from my own experiences with this
9. commission, that whenever there is a six or eight million dollar
10. cut that has to be made, they say okay, Oak Forest, you cut down
11. on your employees, you lay off some union electricians, some
12. nurse's aids, some nurses, you cut back on your staff because we
13. have to keep County Hospital going. Oak Forest has been the
14. forgotten part of the Cook County Hospital Governing Commission
15. and I, for one, personally resent it and I think any of you that
16. have seen the geriatric care that's given out there would join me
17. in that respect. The other thing I'd like to mention, Mr. President,
18. is that the Department of Public Aid has had the hell kicked out
19. of it pretty much today. We have done things in the Department
20. of Public Aid. We have put a computer terminal up there. We put
21. additional employees up there to try to get those that are qualified
22. under the State regulations, under HE...HEW regulations to get
23. that money to County Hospital and this program started about a year
24. and a half ago. So, when we are all saying it's the Public Aid...
25. Department of Public Aid's fault the County Hospital is going under,
26. that's not entirely true. I don't say they are entirely one hundred
27. percent clean, but I also say they are not one hundred percent
28. dirty either. It's a two way street. There's a problem in the
29. County Hospital in administration, there's also a problem in the
30. Department of Public Aid that has been lessened to an awful great
31. extent in the last year and a half or two years. I think this is
32. a step forward. We, perhaps, made a mistake ten years ago, although
33. I don't think we did. I think at that time we solved the problem

1. when we created this commission, but it has now outlived its
2. usefulness and I, for one, am willing to give it back to the elected
3. officials in the County of Cook to administer. I urge the support
4. of Amendment No. 1 to House Bill 1179.

5. PRESIDING OFFICER: (SENATOR BRUCE)

6. Further discussion? Senator Regner may close.

7. SENATOR REGNER:

8. Mr. President and members of the Senate, I feel compelled
9. to answer one of the statements that Senator Newhouse said,
10. that we all, on this side of the aisle, supported in 1969 the
11. change over from the county board to the governing commission. I
12. voted No, Senator Newhouse, in 1969. I was one of about ten
13. members on our side in the House at that time that voted in that
14. way. It was also stated by one of the previous speakers that
15. everybody that appeared before the committee yesterday speaking
16. on this issue, spoke against the change, but in that talk that
17. they each gave, speaking against any change in return to Cook
18. County, every single one of them were extremely critical of the
19. current administration, the governing commission. They said it
20. was bad, it was terrible and that pretty much went along with
21. what the Illinois Legislative Investigating Commission said in
22. their report, the major burden of responsibility rests squarely
23. on the shoulders of the governing commission. I agree wholeheart-
24. edly with that. There was another statement made by one of the
25. speakers in opposition to this amendment that the whole fault
26. lies or a large part lies with the Illinois Department of Public
27. Aid because they are not paying their Medicaid payments fast
28. enough, they are delayed, they are late and you know why they are
29. delayed and late? Because the administration has virtually no sys-
30. tem at all for completing the paperwork for Medicaid applications
31. for return of money and additionally, there are not even any
32. procedures for screening patients to determine Medicaid eligibility,
33. outpatient care and all these facilities is totally free because

1. they don't have any management nor...nor procedure for filling
2. out the forms or taking proper applications. The entire administra-
3. tion has been at fault. They took a situation that wasn't the
4. best in 1969 and they have, in a very systematic way, over the last
5. ten years, made it worse, step by step by step. One of the
6. provisions in this amendment is to allow the county board to hire
7. a hospital management firm, be it a corporation or another govern-
8. mental unit. I think that's absolutely right. That was at the
9. request of the county board that this be included in, that they
10. could do that. I don't think they have any intention of managing
11. it on their own. I think their full intention is that they are
12. going to have a professional hospital management firm operating
13. this hospital. I think it's a good amendment. I think it's a
14. step forward and it's a way to assure the...that the County Hos-
15. pital, Cook County Hospital remains open and also betters itself
16. to provide the kind of patient care we all want to see go on in
17. that facility. I'd urge a Yes vote on Amendment No. 1 to House
18. Bill 1179.

19. PRESIDING OFFICER: (SENATOR BRUCE)

20. The motion is to adopt. Those in favor will vote Aye. Those
21. opposed will vote Nay. The voting is open. Have all voted who
22. wish? All right. Have all voted who wish? Take the record. On
23. that question the Ayes are 34. The Nays are 22. Amendment No. 1
24. is adopted. Further amendments?

25. SECRETARY:

26. No further committee amendments.

27. PRESIDING OFFICER: (SENATOR BRUCE)

28. Are there amendments from the Floor?

29. SECRETARY:

30. Amendment No. 2 offered by Senator Washington, Newhouse,
31. Collins and Chew.

32. PRESIDING OFFICER: (SENATOR BRUCE)

33. Senator Washington is recognized on Amendment No. 2.

1. SENATOR WASHINGTON:

2. Mr. President, members of the Senate, it's a very simple
3. amendment. In a sense, it supplements...although it does
4. detract somewhat, from the previous amendment, it simply provides
5. that the study dealing with the fiscal responsibility and the
6. long range and short range plans for the county be conducted
7. by the...County Hospital's Governing Commission. It deletes
8. everything else in reference to Amendment No. 1, the committee
9. amendment which was adopted. I think it's a good amendment. I
10. think, clearly, what the Body wants to do is to get about the
11. business of coming up with a long range plan, but I think it's
12. the better part of wisdom for this Senate, at this time, to take
13. another quick look at the procedures by which it will be done.
14. Clearly, nothing is going to be gained by returning this whole
15. business back to the county board. Wouldn't it be much wiser
16. to permit this commission, the governing commission, to conduct
17. this study and report back here to us May 1st of next year. I
18. think so. I don't want to extent this debate ad nauseam. We
19. have more or less covered it. I suggest this is a reasonable
20. amendment. I ask for your support.

21. PRESIDING OFFICER: (SENATOR BRUCE)

22. Is there discussion? Senator Regner.

23. SENATOR REGNER:

24. Well, Mr. President and members of the Senate, I...I find
25. this quite amusing, an amendment such as this, asking the
26. governing commission...giving the whole thing back to the govern-
27. ing commission and asking them to submit a report to the General
28. Assembly by next year. The wordage in this report is virtually
29. the same as in the amendment that was just adopted, but in ten
30. years of operation by that governing commission, they haven't
31. done any kind of a report or long range planning at all to date
32. and that is point number one in the Legislative Investigating
33. Commission Report and I'll just read that. "The failure of the

1. governing commission to develop a comprehensive long range plan
2. is a primary reason for the current...financial squeeze." I
3. think this is a silly amendment. It won't prove a thing. The
4. governing commission hasn't accomplished anything in ten years.
5. I don't foresee any way, shape or form they will do it by next May
6. in any adequate way. I do have all the faith in the county board
7. that they will do it because I'm sure they want it to operate
8. properly and I urge the defeat of this amendment.

9. PRESIDING OFFICER: (SENATOR BRUCE)

10. Is there further discussion? Senator Collins.

11. SENATOR COLLINS:

12. Thank you, Mr. President. I rise in support of this amendment.
13. This is really the only rational approach to this problem. This
14. will give us time. It would also give time for the audit to be
15. completed so that we can have some legitimate basis by which to
16. formulate a plan on. You, first, have to realistically understand
17. and know what the real problems are before you can talk about
18. coming up with solutions and that's all we are saying here in this
19. amendment is...demand that the commissioners submit a plan which
20. they have not been doing before...I will agree with you, Senator
21. Regner, but we are saying that you must submit a plan, but it will
22. also give them some facts to submit that plan on and I ask support
23. for this amendment.

24. PRESIDING OFFICER: (SENATOR BRUCE)

25. Senator Newhouse.

26. SENATOR NEWHOUSE:

27. Thank you, Mr. President. Senator Regner informed me that
28. he voted in opposition to this plan some ten years ago and I must
29. confess that I didn't know that and there is some merit in being
30. consistent. There is no merit in being consistently wrong. The
31. facts of life are that we are acting in panic again. Now, I have
32. to amend that statement because I know we are not really acting
33. in panic. The deal has been made and the deal was made the early

1. part of the Session, I regret to say and the...the elements of
2. it are just beginning to crawl out of the woodwork and this is
3. one. The fact is that we do have an excellent institution which
4. does have some problems and no one will deny that. They are not
5. problems that are beyond solution. They are not problems beyond
6. resolution in its present form. Now, for us to act precipitously
7. and to destroy that commission in a few days...this is not a matter
8. that we have taken up in long consideration...in a few days...
9. as a matter of fact, in a few minutes...seems to me to be disastrous
10. if we think about the legislative process. The process by which
11. we go through hearings and deliberate on even the most infinitesimal
12. matters. This is a matter of great magnitude and because it is a
13. matter of great magnitude, it seems to me, that...that it would
14. ask for our most minute scrutiny and it is not being given. I
15. think the amendment that Senator Washington has put on the...has
16. put on the table is a good one. I am proud to be a co-sponsor
17. of it. I am going to vote for it...would ask all on this side
18. of the aisle to join me in that effort.

19. PRESIDING OFFICER: (SENATOR BRUCE)

20. Further discussion? Senator D'Arco.

21. SENATOR D'ARCO:

22. Thank you, Mr. President. I would just point out that Senator
23. Regner said that part of the Legislative Commission's Report indicated
24. that there was no long term planning by the Cook County Governing
25. Commission and they cite...this is great...they...on page 17, they
26. cite as an example the fact that the Chicago Board of Health put
27. together a neighborhood health center in 1972 at a cost of three
28. million dollars in the uptown area. The uptown area is one of the
29. most populated areas in the City of Chicago. So, the Cook County
30. Governing Commission came along in 1978 and put together another
31. neighborhood health plan facility at the cost of some two million
32. dollars and they take care of some twenty-eight thousand patients
33. on an out-patient basis and they cite that as an example that there

1. is not one single health facility out-patient clinic in that area,
2. but two to service the needs of this over-populated area. It
3. would appear to me that if you are going to cite anything as an
4. example of long range planning, that's the best example to use.
5. This Commission Report stinks, Mr. President.

6. PRESIDING OFFICER: (SENATOR BRUCE)

7. Further discussion? Senator Wooten.

8. SENATOR WOOTEN:

9. Well, I suppose it's all over but the shouting. I do want to
10. make one observation. The interesting things that have happened
11. to Cook County taxpayers this Session, that marvelous transportation
12. package which really stuck them in the eye and took away State
13. subsidy and now we're...well, mine...mine is a different district,
14. Charlie, and we are going to give them fifteen million dollars now,
15. but along with that, the taxpayers in Cook County have the cap
16. taken off of the taxing rate for Cook County Hospital and just as
17. sure as the night follows the day, there's going to be another
18. tax increase in Cook County. I don't know how you fellows do it
19. to your constituents so consistently, so relentlessly. Maybe
20. they don't read their tax bills like folks do back home, but I...
21. I stand in awe of the whole operation, folks. I...I just don't
22. know how you can do it time after time. Senator Washington is
23. giving you one last chance to save yourselves, but sooner or later
24. the taxpayers have got to start adding these things up and Cook
25. County is...it's going to be an interesting place.

26. PRESIDING OFFICER: (SENATOR BRUCE)

27. Senator Knuppel.

28. SENATOR KNUPPEL:

29. Well, it...it just amazes me how brilliant the new Mayor of
30. Chicago is and...in her leadership and everything of the Democratic
31. cohorts and you people who go along with her...that's great too.
32. You know what Confucius say, man make fool of me once, shame on
33. him. Man make fool of me twice, shame on me.

1. PRESIDING OFFICER: (SENATOR BRUCE)

2. Further discussion? Senator Washington may close.

3. SENATOR WASHINGTON:

4. Well, I can't improve on the Wooten-Knuppel act. I think...
5. I think they have said it all. I just hope that my colleagues
6. from Chicago listened to...to both of them because that's the
7. whole thing in a nutshell. I think that Senator D'Arco disposed
8. very adequately of the Illinois Legislative Investigating
9. Commission Report. It's a bunch of tripe and I'm amazed that
10. a man of such distinguished intellectual parts as Senator Regner
11. would rely upon that commission for anything. They haven't met
12. in a year. I don't even know how they adopted this report. They
13. adopted in absentia or something. I don't even think they have
14. read it. As a matter of fact, there is some question as to
15. whether some of the members can even read. I won't name who they
16. are. I don't think anyone is really shocked with that statement
17. because we know the makeup of that body. You know for that
18. commission...for anyone to rely upon...that excludes Senator
19. Bloom...for anyone to rely upon that report to draft an indictment
20. against the hospital commission to me is simply ludicrous. That
21. is the level of the criticism of this governing commission. There
22. has been no reasonable indictment, simply some cries and screams
23. thrown out. Even on the Floor today, people have said that that
24. hospital has not reached the level of health delivery service which
25. it should. That's totally inaccurate. To put it in a nutshell,
26. the hospital is suffering from financial woes and the responsibility
27. for that is on the county level and on the State level, not on the
28. governing commission level and I think we all know it. Lastly,
29. I'm a little bit worried that the Governor or this State could
30. tell us he's not going to give us fifteen million dollars unless...
31. that money doesn't belong to him. It belongs to us and it seems
32. to me that if this Senate had any dignity at all, they would tell
33. the Governor that's the last time you are going to blackmail us

1. with that sort of statement. Who do you think you are anyway?
2. We are the Legislators. We do the appropriations, not the
3. Governor of this State. I am totally and completely stunned...
4. stunned at the slavishness with which some of the members of
5. this Body follow our two peerless State leaders, the Governor and
6. the Mayor. I am strictly stunned. This is a good amendment. As
7. Wooten says, this is your last chance, members from Cook County.
8. Vote for it.

9. PRESIDING OFFICER: (SENATOR BRUCE)

10. The question is on the adoption of Amendment No. 2 to House
11. Bill 1179. Those in favor vote Aye. Those opposed vote Nay.
12. The voting is open. Have all voted who wish? Have all voted who
13. wish? Have all voted who wish? Take the record. On that
14. question the Ayes are 24. The Nays are 31. None Voting Present.
15. Amendment No. 2 is lost. Further amendments from the Floor?

16. SECRETARY:

17. Amendment No. 3 offered by Senator Philip.

18. PRESIDING OFFICER: (SENATOR BRUCE)

19. Is Senator Philip on the Floor? Is Senator Philip on the
20. Floor? Senator Weaver, did you wish to handle this amendment in
21. his absence? Or., what have you done with Senator Philip is the
22. other question?

23. SENATOR WEAVER:

24. I think maybe due to the absence of the sponsor, we'll
25. just withdraw the amendment.

26. PRESIDING OFFICER: (SENATOR BRUCE)

27. Well, the...the Chair is...is reluctant to deny any Senator
28. the right to offer an amendment and I...for what purpose does
29. Senator Regner...

30. SENATOR REGNER:

31. Mr. President, I'll agree if we move it to 3rd reading to
32. bring it back when Senator Philip comes so he has his chance.

33. PRESIDING OFFICER: (SENATOR BRUCE)

All right.

1. SENATOR REGNER:

2. ...for that amendment only.

3. PRESIDING OFFICER: (SENATOR BRUCE)

4. Well, Senator Regner, I...that, evidently, Senator Regner...
5. the procedure...there's been objection to your statement that
6. you will only accept that...once it moves back to 2nd, I think
7. the problem is that presents itself that would be offered and open
8. for any amendment. Senator Regner.

9. SENATOR REGNER:

10. Okay, I'd like to move it to 3rd then and I'll discuss it
11. with Senator Philip later.

12. PRESIDING OFFICER: (SENATOR BRUCE)

13. For what purpose Senator Graham rise?

14. SENATOR GRAHAM:

15. I think...I think that when we are dealing with the seriousness
16. of a problem like this, that a Senator has an amendment to offer,
17. if he isn't here, that's his problem and we ought to go ahead and
18. run it to 3rd reading.

19. PRESIDING OFFICER: (SENATOR BRUCE)

20. Amendment No. 3 to House Bill 1179 offered by Senator Philip.
21. Senator Philip is recognized for an explanation of Amendment No. 3.

22. SENATOR PHILIP:

23. Thank you, Mr. President and Ladies and Gentlemen of the
24. Senate. I have been down getting my marching orders. You know, in...
25. in...nobody is more concerned about Cook County Hospital and the
26. problem than I am and it is a problem. I know that Senator D'Arco
27. will like that seeings that I'm from the so-called Silk Stocking
28. Community, but I happen to think that the Cook County Hospital is
29. a necessity. We must do something about it. I'm confused really
30. what we should do. Now, I think there are only two Senators, to
31. my knowledge, Senator Savickas and myself who are on the Illinois
32. Legislative Investigation Commission and on Executive Committee
33. who spent one full day in the State of Illinois Building, listening

1. to the testimony, pros and cons, and who sat down at the Executive
2. Committee for about two and a half or three hours and heard that
3. debate and very honestly, there is a problem, to say the least, and
4. I might remind my Cook County friends that I think my first or
5. second term in the House, we bailed out the Cook County Hospital
6. for some forty million dollars and I think that there was some
7. kind of an agreement it was going to be paid back and, of course,
8. we have never seen a cent of that money, if I remember correctly,
9. but let me say this. In 1969, as you know, Governor Ogilvie came
10. to the General Assembly and suggested and did pass the Cook
11. County Hospital Governing Commission. We were going to take it
12. out of politics. It was going to do the right job. Well, it's
13. been kind of interesting after spending a day and a half listen-
14. ing to testimony...

15. PRESIDING OFFICER: (SENATOR BRUCE)

16. Excuse me, Senator Philip, I wonder...we have several
17. caucuses going on on the Floor. If you would take those off
18. the Floor, the other members would appreciate it. Excuse me.
19. Senator Philip.

20. SENATOR PHILIP:

21. Thank you. After sitting there a day and a half and listening
22. to testimony, I'm not sure that the governing board has been completely
23. out of politics or that they have done the right kind of job in
24. regard to Cook County Hospital. You know, we have had the same
25. circumstances in many of the other metropolitan cities throughout
26. the United States, Los Angeles, New York, Pittsburgh, where they have
27. the same type of population, the same type of a county hospital
28. that has not been able to survive financially. In those instances,
29. the leading State university and medical school has taken over the
30. operation of those hospitals. To the testimony and to my knowledge,
31. those hospitals today are doing much better under that operation than
32. they have in the past, so I have come to that conclusion that the
33. county board in the past has not done a good job. I'm not sure
they are capable of doing a job ten

1. years later. I'm convinced that the governing commission has not done
2. the kind of job that...that I think they should have done and if you
3. would have been there, like Senator Savickas and I, and listened
4. to the testimony about the boondoggling, about the almost double
5. death rate than other hospitals and the lack of service and con-
6. fusion, I think you might feel that way too. What my bill does...
7. what my amendment does, instead of turning it over to the Cook
8. County Board, it turns it over to the University of Illinois trustees.
9. It maintains the...current taxing powers. It does provide that
10. the University of Illinois will expend none of their funds what-
11. soever to operate or maintain those hospitals. You know, and
12. I honestly politically could care less. I only have one thing in
13. mind, what is the right thing to do for those people in the City
14. of Chicago and Cook County and what is the right thing to do for
15. that hospital because I am convinced it is absolutely needed.
16. There is no question about that. They fulfill the needs of a lot
17. of poor people who, quite frankly, can't afford it and I worry
18. about the service...the lack of service and we ought to do something
19. about it. We have not tried the University of Illinois system.
20. It has worked in other States, in other cities. Why won't it work
21. here? Now, I know there is some objection from the University of
22. Illinois and I understand that. The University of Illinois trustees,
23. I understand, are against it. There are people in the medical school
24. who are for it. There are people against it and I understand their
25. position. If I was on...University of Illinois trustee, I probably
26. wouldn't want it either, but what is really best for those people,
27. those people who use Cook County Hospital? I'm not convinced the
28. county board is the best. The current system does not work. Why
29. not try the University of Illinois trustees and maybe once and
30. for all, take it out of politics completely?
31. PRESIDING OFFICER: (SENATOR BRUCE)
32. ...Philip, I'm sorry. Had you concluded? All right. Is
33. there discussion? Senator Chew.

1. SENATOR CHEW:

2. Yes, Mr. President, in regards to what the distinguished
3. Senator from Elmhurst said, you know, a fellow once had an acre
4. of land. It was grown up in forest and weeds and everything so
5. he finally bought it...another guy bought it and cultivated it
6. and started raising vegetables and everything so a minister came
7. by one Sunday and he said, "Young man, that land certainly looks
8. good. You and God have really done a good job on it." He said,
9. "But you should have seen it when God had it by Himself." So,
10. the University of Illinois doesn't want the responsibility of
11. County Hospital. You ought to take a look at what the University
12. of Illinois is doing with the hospital they have got now and
13. that's not good, yet we give them the kind of monies that they
14. need to operate it, but they aren't in the business of running
15. hospitals. They are in the business of educating people. I
16. would suggest that we leave the hospital where it is, give them
17. the necessary funds, put them on a probation. If they don't do
18. the job that's necessary...I'm not calling it the job we want them
19. to do because we don't know what we want them to do anyway, but
20. do the job and do it right and get the necessary audits and report
21. to the authorities that's requesting them and let's go on about
22. saving the patients' lives. I would oppose the amendment of
23. Senator Philip's.

24. PRESIDING OFFICER: (SENATOR BRUCE)

25. Further discussion? Senator Buzbee.

26. SENATOR BUZBEE:

27. Thank you, Mr. President. I have heard a lot of downstate
28. experts on Cook County Hospital today. I don't pretend to be one of
29. those. I know absolutely nothing about Cook County Hospital or
30. its funding mechanisms or its management or lack thereof, but I
31. do know a little bit of something about fiscal affairs as it
32. affects universities and as...I'm reminded of the time a few years
33. ago, when I was sponsoring a bill and Senator Weaver stood up and

1. he said, "Senator Buzbee, this has got to be the worst bill I
2. have ever seen," and I said, "I beg to differ with you, Senator.
3. I have sponsored worse bills than this before," but this has
4. got to be the worst concept I have ever seen. To try to foist
5. off onto the great University of Illinois a hospital in which
6. they have no interest, in which they do not have staff or...or
7. any desire whatsoever to get involved in is beyond the realm of
8. any good sense. I...I thought we had taken care of this amendment
9. when the Senator who was the sponsor was off the Floor, but unfor-
10. tunately, he got back in time to take up the time of the Senate
11. and offer the amendment. We need to give it a fitting death and
12. bury it with as many red lights as we possibly can.

13. PRESIDING OFFICER: (SENATOR BRUCE)

14. Senator Weaver.

15. SENATOR WEAVER:

16. Thank you, Mr. President. Well, the University of Illinois,
17. for more than fifty years, has had a very close association with
18. Cook County Hospital, as has one of their medical schools in the
19. metropolitan area and universities. Basically, the mission of
20. the universities is to teach and perform research. We have
21. certain management abilities. We have certain individuals that
22. have offered to cooperate in consulting in any way possible with
23. the...whatever authority runs Cook County to try to formulate
24. some long range...long range plans and to provide some solutions
25. to the problems. I don't think it's fair to say that the University
26. of Illinois is not concerned with Cook County because of their long
27. association, but they really don't feel that they have the ex-
28. pertise to manage a hospital such as Cook County, but if there is
29. any way that the university can help in other ways, in consulting
30. and working with whatever governing board, we stand ready to do it.

31. PRESIDING OFFICER: (SENATOR BRUCE)

32. Senator Merlo.

33. SENATOR MERLO:

1. Thank you, Mr. President. Will the Senator yield to a ques-
2. tion?

3. PRESIDING OFFICER: (SENATOR BRUCE)

4. Indicates he will yield. Senator Merlo.

5. SENATOR MERLO:

6. Senator Pate, in the event that the...University of Illinois
7. took the administration of the hospital over, what would be the
8. funding structure?

9. PRESIDING OFFICER: (SENATOR BRUCE)

10. Senator Philip.

11. SENATOR PHILIP:

12. I would be exactly the way it is today. We are not touching
13. the...the taxing structure at all in my amendment. It would
14. be the same...come out of the same place it comes now and I
15. believe it comes out of the Cook County rate, about sixty-five
16. million dollars a year, I think, comes out of the Cook County rate.
17. Their total budget is about two hundred million. The rest of it
18. is made up by State aid and Federal aid.

19. PRESIDING OFFICER: (SENATOR BRUCE)

20. Senator Merlo.

21. SENATOR MERLO:

22. In other words, you would not be using any university money
23. at all, is that correct?

24. PRESIDING OFFICER: (SENATOR BRUCE)

25. Senator Philip.

26. SENATOR PHILIP:

27. That's absolutely correct. In fact, we have a section that
28. absolutely prohibits that. I think that's one of the things that
29. scared the university. They don't want to get in the tank of
30. spending their money for it, very honestly.

31. PRESIDING OFFICER: (SENATOR BRUCE)

32. Further discussion? Senator Knuppel.

33. SENATOR KNUPPEL:

1. Well, I'm just a farmer and I'm not very bright, but in
2. 1969, we took this thing away from the Cook County Board. I never
3. knew a farmer to give pigs back to a festered sow that was eating
4. them. You take a cloth and rub them and try something else, give
5. them to a different sow. I don't think we ought to give this back
6. to the festered sow that had it before. We weren't able to give
7. it to the people that should have it. The people who were there
8. yesterday testified did have good morale, even though they do have
9. problems. There's no question about that. University of Illinois
10. either has or can gather, the know-how to solve any problem, I
11. think, clear down to the...to nuclear fission. Certainly, they
12. can come up with some kind of leadership and boy, we need leadership.
13. We need it in Washington. We need it in the world. We need it in
14. Springfield and we damn well need it in the City of Chicago now.
15. So, I just say let's don't give it back to that festered sow. Let's
16. try Senator Pate Philip's idea.

17. PRESIDING OFFICER: (SENATOR BRUCE)

18. Is there further discussion? Senator Philip, you may
19. close.

20. SENATOR PHILIP:

21. Thank you, Mr. President and Ladies and Gentlemen of the Senate.
22. I just might try to answer Senator Chew's remarks about the university
23. and the operation of, I believe, Illinois Research is the hospital
24. they run now and Dr. Brigandohappens to live in Elmhurst where I'm
25. from. That hospital enjoys a outstanding reputation. They attract
26. some of the outstanding interns from the State system. At one time,
27. the Cook County Hospital did enjoy outstanding internship. It was
28. the place to go. I'm sorry to report to you today it is not the
29. place to go to study your internship. You know...and I have no
30. political motives, no motives whatsoever. The only motive I have is
31. it appears to me that the Cook County Board in the past has not done
32. a good job. I don't think that will change. The present governing
33. board has not done a good job and I've sat through one day and a

1. half of testimony and what should we do with it? Well, in my
2. judgment, I have come to this conclusion. Let's give the
3. University of Illinois trustees and the university a crack at it.

4. PRESIDENT:

5. All right. The question is the adoption of Senator
6. Philip has moved the adoption of Amendment No. 3 to House Bill
7. 1179. Those in favor will vote Aye. Those opposed will vote
8. Nay. The voting is open. Have all voted who wish? Have all
9. voted who wish? Have all voted who wish? Take the record. On
10. that question the Ayes are 18. The Nays are 31. 1 Voting Present.
11. The amendment fails. Further amendments?

12. SECRETARY:

13. Amendment No. 4 offered by Senator Bruce.

14. PRESIDENT:

15. Senator Bruce.

16. SENATOR BRUCE:

17. Thank you, Mr. President and members of the Senate. Earlier
18. today and the pages are just starting to distribute, although some of
19. the members have already received copies, we discussed on this bill
20. the rights of employees. I have had caused to have drafted an
21. amendment which does three things for the employees that we are
22. about to transfer, having adopted Amendment No. 1 from the governing
23. commission to the Cook County Board. First of all it says, those
24. who were deemed to be merit system employees, pursuant to this Act,
25. shall become employees of the Cook County with Civil Service status
26. in the Cook County Civil Service System and they shall have the
27. same standing, grade, class, or rank which they held as merit
28. employees of the Health and Hospital's Governing Commission. The
29. second question we raised in debate was that of seniority. The
30. amendment says for determining seniority, such employee shall be
31. credited with the time served by them in their respective employment
32. with the Health and Service...Health and Hospital's Governing
33. Commission of Cook County and thirdly, we talked about pension rights

1. and although I agree with Senator Regner, there seems to be...
2. the constitutional protection...I see nothing wrong with adding
3. the sentence, "that such transfers shall not affect the status
4. of such employee's pension rights under State law." I don't know
5. of any opposition to saying exactly what we have all said we are
6. doing and that is we are transferring them with the merit system in...
7. in place, that they are given credit for their time with the
8. governing commission. It does not say it precludes them from
9. being slotted into the other system and that their pension rights
10. would not be affected under State law and I would move the
11. adoption of Amendment No. 4.

12. PRESIDENT:

13. Senator Bruce has moved the adoption of Amendment No. 4
14. to House Bill 1179. Any discussion? Senator Regner.

15. SENATOR REGNER:

16. Well, Mr. President and members, I'm just looking at this
17. amendment very quickly. I have just had it here for a minute, but
18. there is reference here to shall have the same standing, grade
19. class...under my...the way I understand it, there is no comparable
20. grade and class allowed right now and to transfer all these people
21. in with exactly the same situation after giving the county board
22. the authority to run the hospital, I think the county allows up
23. to four weeks vacation and I think under the commission form right
24. now, there is up to seven weeks vacation in some cases and I think
25. that those would just create some terrible problems if Cook County
26. is to manage this hospital properly, which the majority of the
27. members apparently want to have done by the vote that took place on
28. Amendment No. 1 and I would urge the defeat of this amendment at
29. this time.

30. PRESIDENT:

31. Further discussion? Senator Berning.

32. SENATOR BERNING:

33. Question of the sponsor.

1. PRESIDENT:

2. Indicates he will yield. Senator Barning.

3. SENATOR BERNING:

4. Line 8, there is the word "deemed"..and who were deemed to
5. be merit system employees. Does that not leave it open to challenge?
6. You might deem yourself to be a merit employee and I might deem that
7. you are not. Would it not be better to state categorically who
8. are?

9. PRESIDENT:

10. Senator Bruce.

11. SENATOR BRUCE:

12. Well, Senator, I...we can argue semantics. As I understand
13. it, I think there is a Civil Service Commission and once you
14. become a Civil Service employee under the Hospital Governing
15. Commission, they certify that in writing saying Aldo DeAngelis
16. is hereby a Civil Service employee. You...you either are or
17. deemed to be a Civil Service employee. I didn't draft it, but
18. I don't think there is a great deal of difference between the
19. words are or deemed to be and if there is a question, we will give
20. it to those people that seem to make the most money out of the
21. Legislature, the attorneys and they will fight over whether or not
22. deem or are is the proper word.

23. PRESIDENT:

24. Further discussion? Senator Moore.

25. SENATOR MOORE:

26. Will the sponsor yield, Mr. President?

27. PRESIDENT:

28. Indicates he will. Senator Moore.

29. SENATOR MOORE:

30. Could you inform me as to the status of the administration
31. facet of the commission, as to whether or not they are deemed to
32. be covered by...by Civil Service. I'm speaking of the...the
33. administrators, Dr. Haughton, for example, and the head of the

1. Department of Finance and other key people. Are they covered?
2. Do they have any...any vested Civil Service rights under the
3. commission laws?

4. PRESIDENT:

5. Senator Bruce.

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7. (END OF REEL)

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1. SENATOR BRUCE:

2. Dr. Haughton is not Civil Service and in our testimony
3. yesterday, we spoke with the...there was this discussion where
4. there were seven or eight employee organizations representing
5. the employees. Those would be the people who are presently
6. covered by their merit system, that would be covered in this
7. arrangement. I...to my knowledge, none of the administrative
8. personnel are organized or under the merit system. What we...
9. you and I would determine as administration, they are not in the
10. merit system.

11. PRESIDENT:

12. Any further discussion? Senator Bruce, do you wish to
13. close? Oh, I beg your pardon. Senator Berning. Senator Berning.

14. SENATOR BERNING:

15. Yes, thank you, Mr. President. One other question. The...
16. the last sentence, "such transfer shall not affect the status of
17. such employee's pension rights under State law," Senator Bruce,
18. what do you interpret the pension benefits, not necessarily just
19. rights, but the pension benefits of the employees who are trans-
20. ferred and now become Cook County Pension System participants.
21. Are we inferring that pension system credits, as well as contribu-
22. tions are transferred as the result of this or should that be
23. spelled out?

24. PRESIDENT:

25. Senator Bruce.

26. SENATOR BRUCE:

27. My intent by this amendment is to insure that employees
28. who have accrued pension rights do not have them lost in the
29. transfer from one governing commission to the county board. I
30. don't think that the question of credits, if...I am sure, Senator,
31. that they are in IMRF...they would have to be. It's a matter of
32. insuring that those credits go with them as they transfer from
33. one governing agency to another, but not from one pension fund to

1. another and so I would...I would assume that your question will
2. not be reached because they are...they will have been in the
3. same fund under each governing body. The question is whether
4. they can take those credits and move them back into the county
5. board. There is a possibility, obviously, that the county board
6. would say we will not take that credit and contribution and doing...
7. in doing so, they would have to refund the money, but the people
8. have lost that pension credit time. I don't think we ought to
9. do that to this significant number of employees.

10. PRESIDENT:

11. Senator Berning.

12. SENATOR BERNING:

13. Well, I agree with you...that credit for time served necessarily
14. has to follow. By the same token, the contributions must follow
15. also and I'm just concerned that since we don't actually provide
16. for that that there may be a reticence on the part of whatever...
17. IMRF, I assume, is where they are, but they will be now going under
18. a Cook County system, will they not...not IMRF?

19. PRESIDENT:

20. Senator Bruce.

21. SENATOR BRUCE:

22. Senator, you are certainly the expert on that matter. They
23. very well could, but I'm trying to think...I'm trying to think why
24. they would, but you have stumped me for a moment. I still don't
25. think they will, but maybe they might.

26. PRESIDENT:

27. All right. Further discussion? Senator Moore.

28. SENATOR MOORE:

29. Yes, one final question for the sponsor, Mr. President.

30. PRESIDENT:

31. Indicates he will yield. Senator Moore.

32. SENATOR MOORE:

33. Senator, assume that there is an electrician that works for

1. the county for a period of ten years or let's make that nine years
2. and there is a union electrician that works for the hospital
3. governing commission for ten years. He was put on when...when they
4. first created the commission. By transferring seniority, is not
5. there a possibility that that county employee with eight or nine
6. years service could be bumped by the governing commission employee
7. with ten years service?

8. PRESIDENT:

9. Senator Bruce.

10. SENATOR BRUCE:

11. The...the language here is such that they are given credit.
12. I didn't get into the question of who is going...they are given
13. credit for the time they have served. If they have worked for
14. the governing commission from 1969 to '79 and an electrician has
15. only worked for the county for five years, I...I assume that the
16. operative language here is, in fact, to say, yes, that the fellow who has
17. worked with the commission will keep the job as opposed to the
18. fellow who has only worked five years.

18. PRESIDENT:

19. Further discussion? Senator Nimrod.

20. SENATOR NIMROD:

21. Thank you, Mr. President. A question of the sponsor.

22. PRESIDENT:

23. Indicates he will yield. Senator Nimrod.

24. SENATOR NIMROD:

25. I recall when this was originally transferred over, Senator
26. Bruce, that those who were with the county, ex-county employees,
27. were...then became members of the hospital governing board's employees
28. group and they had to begin and I think for us to define the details
29. for something that's...where there already is a structure that all
30. you are going to do is compound and...and really complicate already
31. the present practice and I think there are already provisions in the
32. Statutes and in their rules for transferring those credits and I
33.

1. don't believe we need any legislative intent. Are you aware of
2. this?

3. PRESIDENT:

4. Senator Bruce.

5. SENATOR BRUCE:

6. Yes, Senator, it was in the present law. You are absolutely
7. correct. It's stricken though, that's the problem. I'm trying
8. to find the exact citation which is in the Act. The difficulty is
9. when we transferred them one way, we gave them the rights. Coming
10. back the other way, we don't. In Section 61.29, we explicitly
11. state who, in fact, is going to be covered and in answering Senator
12. Moore's question, it states the people who are not going to be
13. covered. We then strike the language in there that covers the
14. employees. It just seems to me what I'm saying is that if we...
15. if we gave them the protection going into this system, we ought
16. to give them the same protection coming back out. It just seems
17. to make a great deal of sense that they...they have the time.
18. They have their Civil Service status and their pension rights pro-
19. tected. I'm not trying to do anything that's going to harm the
20. Cook County Board. All I'm saying is that the employees ought to
21. have the three things we have all agreed to and that is their
22. Civil Service status, their seniority and the pension rights intact.

23. PRESIDENT:

24. Any further discussion? Senator Bruce, do you wish to close?
25. Oh, Senator Nimrod.

26. SENATOR NIMROD:

27. Yes, Mr. President, I think Senator Bruce just made my point.
28. Those individuals who were transferred from the county and went
29. to the hospital governing board, in fact, were, in fact, let go and
30. they were considered as employees of the hospital governing board
31. and their seniority did not count. Now, you are trying to do an
32. injustice and where we have some inequities in pay and the problems
33. within the county...present hospital governing board on wage scales
you are

1. trying to take that and lock it in so that the county board
2. cannot correct anything. Now, this...this, I think, is the wrong
3. procedure. We already have provisions which guarantee the rights
4. and the seniority for the time they put in there. If, in fact,
5. we have employees that do not deserve to be retained, we should
6. not retain them and they ought to go under the present governing board
7. and I think that this particular amendment totally complicates the
8. issue and provides...for the inequities that exist today under
9. the governing board and the unfairness that exists today to be
10. guaranteed to continue and cause more waste and inefficiency in
11. the future relationship and I think for us to pass this amendment
12. is completely inconsistent when what we intended to do is to bring reform.

13. PRESIDENT:

14. All right. Any further discussion? All right. Senator Bruce,
15. we'll try again. Do you wish to close?

16. SENATOR BRUCE:

17. Fine. Thank you, Senator...Mr. President. Senator Nimrod, the
18. problem is the sections that give them those protections on Civil
19. Service seniority and pension rights are striking and it seems to me
20. that you are a great advocate of the employees and insuring that the
21. economy of the State of Illinois is sound. This is the third largest
22. hospital in the United States and I would assume that it hires three...
23. the third highest employer of...of hospital employees in the United
24. States and they have a significant payroll. Now, I think that we want
25. stability there and not instability in their employment procedures.
26. All these people that we worked on, on unemployment insurance, if they
27. are not hired, are going to be on unemployment insurance. All this
28. amendment says is that they have their Civil Service status intact.
29. They have their seniority, which I think they have earned, and they
30. keep their pension rights, which is guaranteed by the Constitution of
31. the State of Illinois. I would move the adoption of Amendment No. 4.

32. PRESIDENT:

33.

1. Senator Bruce has moved the adoption of Amendment No. 4
2. to House Bill 1179. Those in favor of the amendment will vote
3. Aye. Those opposed will vote Nay. The voting is open. Have
4. all voted who wish? Have all voted who wish? Have all voted who
5. wish? Take the record. On that question the Ayes are 22. The Nays
6. are 28. 1 Voting Present. The amendment fails. Further amendments?

7. SECRETARY:

8. No further amendments.

9. PRESIDENT:

10. 3rd reading. Resolutions.

11. SECRETARY:

12. Senate Resolution 322 offered by Senators Regner and Graham.
13. It's congratulatory.

14. PRESIDENT:

15. Consent Calendar. Any further business to come before the
16. Regular Session? If not, Senator Hall moves that the...the Regular
17. Session stand adjourned until Thursday, November 8th at the hour
18. of nine o'clock A. M.

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