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PRESIDING OFFICER: (SENATOR HARMON)

The regular Session of the 97th General Assembly will please come to order. Will the Members please be at their desks? Will our guests in the galleries please rise? The invocation today will be given by Pastor Patrick Demerath, from Au Sable Grove Presbyterian Church, in Yorkville, Illinois.

PASTOR PATRICK DEMERATH:

(Prayer by Pastor Patrick Demerath)

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Pastor. Please remain standing for the Pledge of Allegiance. Senator Maloney, would you lead us in the Pledge this morning?

SENATOR MALONEY:

(Pledge of Allegiance, led by Senator Maloney)

PRESIDING OFFICER: (SENATOR HARMON)

Madam Secretary, Reading and Approval of the Journal.

SECRETARY ROCK:

Senate Journal of Friday, May 27th, 2011.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Hunter.

SENATOR HUNTER:

...President, I move to postpone the reading and approval of the Journal just read by the Secretary, pending arrival of the printed transcript.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Hunter moves to postpone the reading and approval of the Journal, pending arrival of the printed transcript. There being no objection, so ordered. Madam Secretary, Appointment Messages.

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### SECRETARY ROCK:

Appointment Message 124

To the Honorable Members of the Senate, Ninety-Seventh General Assembly:

I, Pat Quinn, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

To be Assistant Director {sic} (Secretary) of the Department of Human Services:

Grace B. Hou

Annual Compensation: \$127,739

PRESIDING OFFICER: (SENATOR HARMON)

Madam Secretary, House Bills 1st Reading.

### SECRETARY ROCK:

House Bill 3108, offered by Senator Emil Jones.

(Secretary reads title of bill)

1st Reading of this House bill.

PRESIDING OFFICER: (SENATOR HARMON)

Illinois Statehouse News seeks leave to film the proceedings. Is there any objection? Seeing no objection, leave is granted. WICS seeks leave to videotape the proceedings. Is there any objection? Seeing no objection, leave is granted. Ladies and Gentlemen of the Senate, we're going to turn to the Order of Secretary's Desk, Concurrences on Senate Bills. We're at the top of page 61 of your printed Calendar. This is final action. I'd ask all Members to be at their desks. At the top of the Order of Senate -- Secretary's Desk, Concurrences on Senate Bills is Senate Bill 87. With

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leave of the Body, we'll return to that bill. Continuing down the Calendar, the next bill with a motion pending is Senate Bill 1686. Senator Koehler, are you ready to proceed? Madam Secretary, please read the motion.

### SECRETARY ROCK:

I move to concur with the House in the adoption of their Amendment No. 1 to Senate Bill 1686.

Filed by Senator Koehler.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Koehler, to explain your motion.

### SENATOR KOEHLER:

Yes, thank you, Mr. President, Members of the Senate. This is an agreement by the people in the press -- Newspaper -- Press Association and some of the units of -- of government, townships, et cetera, and this is an agreed-upon bill to help reduce the fees that local units of government have to pay for publishing certain notices. I can go through the -- the details if you want, if there's any questions. But it's an agreed-upon bill and I'd appreciate an Aye -- Aye vote.

## PRESIDING OFFICER: (SENATOR HARMON)

Is there any discussion? Senator Pankau, for what purpose do you rise?

### SENATOR PANKAU:

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

### PRESIDING OFFICER: (SENATOR HARMON)

Sponsor indicates that he will yield. Senator Pankau. SENATOR PANKAU:

How much are they going down, generally?

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PRESIDING OFFICER: (SENATOR HARMON)

Senator Koehler.

### SENATOR KOEHLER:

Thank you for your question. I can't tell you an exact amount, but I was assured by at least the Township Officials of Illinois that this was a definite reduction in costs for their units of government. So, that's -- that's all I can tell you.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Pankau.

### SENATOR PANKAU:

One of the ideas that our Treasurer, Dan Rutherford, had in this Session, also, was to be able to put it online if that newspaper is -- has an online service, also. Was that any part of your bill?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Koehler.

### SENATOR KOEHLER:

Yes, I'm not sure that that was -- in terms of -- of it being mandated or -- or as an option on it, I'm not sure that's part of it. But this does reduce the -- the fees and some of the requirements that local units of government do have now. I know what you're talking about. I think that's worth pursuing, but that -- it is my understanding, is that's not necessarily part of this bill.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Pankau.

## SENATOR PANKAU:

To the bill, Mr. President. I urge everybody to vote for this. But maybe we could pursue some other avenues also. Those

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publication costs are real expensive for townships and other smaller units of local government. Thank you.

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Any further discussion? Seeing none, Senator Koehler, do you wish to close? He does not. The question is, shall the Senate concur in House Amendment No. 1 to Senate Bill 1686. All those in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 52 voting Aye, none voting No, none voting Present. Having received the required constitutional majority, the Senate does concur in House Amendment No. 1 to Senate Bill 1686, and the bill is declared passed. Continuing on the Order of Secretary's Desk, Concurrences is Senate Bill 1688. Senator Sullivan. Madam Secretary, please read the motion.

### SECRETARY ROCK:

I move to concur with the House in the adoption of their Amendments 1 and 2 to Senate Bill 1688.

Filed by Senator Sullivan.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Sullivan, to explain your motion.

### SENATOR SULLIVAN:

Thank you, Mr. President, Members of the Senate. This creates the Beardstown Regional Flood Prevention District. If - I'd like -- give me just a minute, I'd like to give you a little background on it. The City of Beardstown in Cass County is protected by a levee along the Illinois River. That same levee is a twenty-two mile levee that's shared by the Beardstown

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Sanitary District and it's also shared by three drainage districts. So it's a twenty-two mile levee. Recently, FEMA has decertified -- or has said they're going to decertify the levee, and so the -- the County of Cass, the City of Beardstown, and these drainage districts have come together to create this entity, something I've been working on since January to do it. So we -- we've come to an agreed bill. I know of no opposition to it. But it takes those -- it does create this flood prevention district. It creates the mechanism for a sevenmember board of commissioners. It outlines the terms of the members and their qualifications to serve on the board. Says what their primary -- the board's primary responsibility is and that's to upgrade the levee. It does have -- I will say that it does have a -- backdoor referendum language in the bill for the purpose of using the revenue to upgrade the levee and certainly The -- obviously the consequences of not nothing else. addressing this is -- would be very detrimental to the -- to the -- Beardstown. About three thousand people live in the City of Beardstown. And I'd be more than happy to answer any questions. PRESIDING OFFICER: (SENATOR HARMON)

Is there any discussion? Any discussion? Seeing none, the question is, shall the Senate concur in House Amendments No. 1 and 2 to Senate Bill 1688. All those in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 46 voting Aye, 8 voting No, none voting Present. Having received the required constitutional majority, the Senate does concur in House Amendments No. 1 and 2 to Senate Bill 1688, and the bill is

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declared passed. With leave of the Body, we will return to the motion on Senate Bill 1794. Senate Bill 1824. Senator Murphy. With leave of the Body, we'll return to Senate Bill 1824. Senate Bill 1837. Senator Tom Johnson. Do you wish to proceed? Madam Secretary, please read the motion.

### SECRETARY ROCK:

I move to concur with the House in the adoption of their Amendment No. 3 to Senate Bill 1837.

Filed by Senator Tom Johnson.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Johnson, to explain your motion.

## SENATOR T. JOHNSON:

Yes, thank you, Mr. President. I was somewhat chagrined; I sent over to the House what I thought was a perfect bill and, unbelievably, they gutted it, and they've sent back a much better bill. This bill directs the mental health court in Kane County to demonstrate the impact of its alternative treatment court, crisis intervention training for first responders, and assisted outpatient treatment in reducing the number of mentally ill people admitted into the correctional system. This is a very good amendment. I would urge the Body to concur.

## PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Is there any discussion? Any discussion? Seeing none, the question is, shall the Senate concur in House Amendment No. 3 to Senate Bill 1837. All those in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 54 voting Aye, none voting No, none voting Present. Having

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received the required constitutional majority, the Senate does concur in House Amendment No. 3 to Senate Bill 1837, and the bill is declared passed. Continuing on our Calendars, on the Order of Secretary's Desk, Concurrences is Senate Bill 2040. Senator Sandack, do you wish to proceed? Madam Secretary, please read the motion.

### SECRETARY ROCK:

I move to concur with the House in the adoption of their Amendment No. 1 to Senate Bill 2040.

Filed by Senator Sandack.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Sandack, on the motion.

## SENATOR SANDACK:

Good morning, Mr. President, Ladies and Gentlemen of the Senate. I'm not chagrined by the amendment put forth by the House. I think they did a nice thing. They removed five words and -- and replaced it with one. So it's a -- a brief improvement in brevity. I move to concur.

## PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Is there any discussion? Any discussion? Seeing none, the question is, shall the Senate concur in House Amendment No. 1 to Senate Bill 2040. All those in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 54 voting Aye, none voting No, and none voting Present. Having received the required constitutional majority, the Senate does concur in House Amendment No. 1 to Senate Bill 2040, and the bill is declared passed. At the end of the Order of Secretary's

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Desk, Concurrences is Senate Bill 2151. Senator Millner, do you wish to proceed? Madam Secretary, please read the motion. SECRETARY ROCK:

I move to concur with the House in the adoption of their Amendment No. 2 to Senate Bill 2151.

Filed by Senator Millner.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Millner, to explain your motion.

### SENATOR MILLNER:

Thank you, Mr. President, and good morning. This amends 2151 by replacing everything after the enacting clause to provide the Juvenile Justice Commission to conduct a study and make recommendations to the Governor and General Assembly regarding a number of issues. And I would ask for an Aye vote. PRESIDING OFFICER: (SENATOR HARMON)

Is there any discussion? Any discussion? Seeing none, the question is, shall the Senate concur in House Amendment No. 2 to Senate Bill 2151. All those in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Take the record. On that question, there are 55 voting Aye, 1 voting No, none voting Present. Having received the required constitutional majority, the Senate does concur in House Amendment No. 2 to Senate Bill 2151, and the bill is declared passed. Senator Righter, for what purpose do you rise?

### SENATOR RIGHTER:

Thank you, Mr. President. Clearly, I'm in the habit of voting No too much. I'm sure some others share that opinion as well. I would like the record to reflect my intention to vote

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Aye on Senate Bill 2151.

PRESIDING OFFICER: (SENATOR HARMON)

The record will reflect your intention, although I'm sure one of your colleagues will request a verification. Ladies and Gentlemen of the Senate, with leave of the Body, we'd like to turn to the Order of House Bills 3rd Reading on page 58 of your printed Calendar. Near the middle of the page is House Bill 1215. Senator Crotty, do you wish to proceed? Madam Secretary, please read the bill.

## SECRETARY ROCK:

House Bill 1215.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Crotty, to explain your bill.

## SENATOR CROTTY:

Thank you, Mr. President. House Bill 1215 would extend the sunset date on a tax increment financing district in the City of Markham from 2017 to 2029.

## PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Is there any discussion? Any discussion? Seeing none, the question is, shall House Bill 1215 pass. All those in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 56 voting Aye, none voting No, none voting Present. And House Bill 1215, having received the required constitutional majority, is declared passed. Ladies and Gentlemen of the Senate, with leave of the Body, we're going to

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move forward on our Calendar. Before we do that, Senator Forby, for what purpose do you seek recognition?

SENATOR FORBY:

Point of announcement.

PRESIDING OFFICER: (SENATOR HARMON)

Please state your announcement, Senator.

### SENATOR FORBY:

There's a bunch of legislators getting together to help some people. We had a -- as everybody knows, we had a big flood area in our district and there's a lot of people who's not back in their houses yet. And some people probably won't get in their houses. And there's a lot of people don't have insurance and no place to go. So we're having a fundraiser on June the 4th at 5:30 at -- Black Diamond Warehouse in Marion, Illinois. I'm going to mention some of the guys that's sponsoring this this is a bipartisan deal - Mike Bost, John Bradley, John Cavaletto, Brandon Phelps, Dan Reitz -- Reitz, Dan Reitz {sic} (David Reis), John O. Jones, Dave Luechtefeld, and myself. So we expect to come up with some money -- quite a bit of money for these people. So if anybody wants to donate, we'd appreciate that and a hundred percent of this money goes to -- straight to these victims. Nobody gets any of the -- the -- one hundred percent of the money goes to these victims. These people are still down there with no place to live, no place to stay, and their houses is just unbelievable. So anybody who wants to help, I appreciate it. If you want to make a check out, we're making the check outs {sic} to Poshard Foundation. And every bit of this, like I said, one hundred percent goes -- and I -we'd appreciate if anybody would want to help us. Thank you.

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### PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator Forby. We wish you well. With leave of the Body, we'll turn to page 59 of your printed Calendar. Again, near the middle of the page is House Bill 2089. Senator McCann, you wish to proceed? Senator McCann seeks leave of the Body to return House Bill 2089 to the Order of 2nd Reading. Leave is granted. Now on the Order of 2nd Reading is House Bill 2089. Madam Secretary, have there been any Floor amendments approved for consideration?

## SECRETARY ROCK:

Floor Amendment 2, offered by Senator McCann.

PRESIDING OFFICER: (SENATOR HARMON)

Senator McCann, to explain your amendment.

### SENATOR McCANN:

Thank you, Mr. President. Floor Amendment No. 2 amends the Controlled Substances Act by adding nine synthetic cannabinoids to the current list of Schedule I controlled substances. Synthetic cannabinoids, commonly known as "Spice" or "K2" and sold in convenience stores, should be prohibited by law. They are actually similar to and mimic the effects of THC. However, the potency can exceed that of standard THC. And these compounds are not subject to any purity or quality control under the FDA. I move for the amendment's adoption.

## PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Is there any discussion to the amendment? Seeing none, Senator McCann moves for the adoption of Floor Amendment No. 2. All in favor, say Aye. Opposed, Nay. The Ayes have it, and the amendment is adopted. Have there been any further Floor amendments approved for consideration?

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### SECRETARY ROCK:

No further amendments reported.

PRESIDING OFFICER: (SENATOR HARMON)

3rd Reading. Now on the Order of 3rd Reading is House Bill 2089. Madam Secretary, please read the bill.

## SECRETARY ROCK:

House Bill 2089.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR HARMON)

Senator McCann, to explain your bill.

### SENATOR McCANN:

Thank you, again, Mr. President. I want to make sure and say up front, I really appreciate the bipartisan support on this bill, specifically from Senator Haine and Chairman Noland in the Criminal Law Committee. I truly appreciate that. This is a wonderful bill that amends the Illinois Controlled Substances Act by adding MDPV to the list of Schedule I hallucinogenic substances. MDPV is a synthetic designer drug commonly sold as "bath salts", which can be snorted for an hallucinogenicinducing high. Marketed under the names of Ivory Wave, Zoom and White Lightning, these substances are legal in many states, although they have similar effects as cocaine methamphetamine. It has a high potential for abuse and has no currently accepted medical use in treatment, and cannot be obtained, possessed or used because no prescription available. The -- I want to make specifically clear to all those who might question it, bath salts in this bill, these are not the bath salts that we buy at Bed Bath & Beyond or -- or

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those types of places. This is an opportunity that drug pushers have taken to market their drugs and call them "bath salts" or in some -- even sometimes "plant food". So, again, I want to thank everyone for all their help on this bill and I stand ready to answer any questions.

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Is there any discussion? Any discussion? Seeing none, the question is, shall House Bill 2089 pass. All those in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 55 voting Aye, none voting No, none voting Present. House Bill 2089, having received the required constitutional majority, is declared passed. Ladies and Gentlemen of the Senate, with leave of the Body, we'll turn to the middle of page 58 of your printed Calendar, still on the Order of House Bills 3rd Reading, is House Bill 1293. Senator Schoenberg, do you wish to proceed? Madam Secretary, please read the bill.

### SECRETARY ROCK:

House Bill 1293.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Schoenberg.

### SENATOR SCHOENBERG:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. House Bill 1293 is almost identical to House Bill -- 5055 of last year. The problem that was the hang-up that

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precluded any further movement on the bill, namely it had to do with equilibrium on the fees for the administration of the courts as a result of the -- of accelerating the number of homes that are being foreclosed through private sales, that's been largely resolved. There's a -- the amendment that we adopted provides for the third-party buyer, in the cases of foreclosed properties, to pay the fee. As I said, most of the opposition has become neutral and I'd be happy to answer any questions.

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Is there any discussion? Senator Schmidt, for what purpose do you seek recognition?

To the bill.

PRESIDING OFFICER: (SENATOR HARMON)

To the bill, Senator.

## SENATOR SCHMIDT:

SENATOR SCHMIDT:

I would just like to give a little bit of background about this bill, if that's okay. This is a bill that, I'm sorry, I have to disagree with the Senator on. The opposition is not removed from this bill. The only reason why there were any proponents on the amendment was because the amendment was a little bit better. But the -- but the opposition is still there from Metro Counties. The opposition is still there from the Sheriffs' Association. The opposition is still there from Will County, Cook County, Kane County, Lake County, Tazewell County, McLean County, and DuPage County. And the reason why they are against this is because, currently, the local sheriff is the one that are handling these foreclosures. Not only does it make the local people more comfortable having their own sheriff's

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department handling the foreclosures, but this will also take, just for Lake County, 1.4 million dollars out of the sheriff's budget. So we're taking money out of our local sheriff's budget and giving this money to a private company in order to handle these foreclosures. The -- the amendment on the bill, the five percent that the third-party buyer -- the three hundred dollars, really only affects five percent of all foreclosure sales. So there is a lot of opposition to this bill. It has not changed and I really do urge a No vote on this. Thank you.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Schoenberg, you wish to respond? SENATOR SCHOENBERG:

I think it's regrettably a bit inaccurate to say -- I didn't -- first of all, I didn't characterize it, with all due respect, that all the opposition went away. There remains some opposition. There are some -- Cook County and Will County are no longer opposed to this, precisely because of the amendment that was added in the Executive Committee. The fact then -- the -- there -- I understand that there are certain counties where the courts are interpreting their role in the foreclosure process in a way that have really precluded the ability to get more foreclosed properties into the pipeline in order to be able to have those on the market sooner. As an unfortunate consequence of the recession, there are more foreclosed properties and the volume of those foreclosed properties is such that even the best intended sheriffs, who are increasingly being put in a position of being like a RE/MAX or a CENTURY 21 agent, can't get all those foreclosed properties into the marketplace as expeditiously as they'd like, because of the sheer volume of

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Therefore, what we end up having happen is, the longer a foreclosed property does not make it on -- into the marketplace, it has a negative impact on the property values of all the surrounding properties. The purpose of enabling the private sellers to have a more prominent role in all of this is to take the glut of foreclosed properties - and there's a lot appetite to purchase foreclosed properties now because the value has declined. That glut can't get into the marketplace because of how, in some counties, they've chosen to interpret the law. help alleviate that problem, the amendment was added which eliminated -- as I said, didn't eliminate all the opposition, I -- but eliminated some significant opposition in a way to try to strike some equilibrium on this issue. The alternative to this is to do nothing and those properties will only be handled -pretty much by the sheriffs, and, therefore, all the surrounding properties, their values will decline, because they're so adamant in not getting more of them out into the marketplace and being able to do it exclusively on their own terms. didn't say that everybody stopped opposing it - I understand there's some - but a significant portion, as I said before, of that opposition has, indeed, become neutral, including the Bankers Association is now neutral, in order -- as a result of the revisions that have been made.

## PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Senator Schmidt, you're seeking to be recognized for a second time. You've already spoken to the bill. We don't generally recognize Senators to speak again if their names haven't been used in debate. Senator Schoenberg, do you have an objection if Senator Schmidt were to speak again on

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this bill? Senator Schmidt.

## SENATOR SCHMIDT:

Thank you. I would just like to reiterate that Metro Counties, Will, Cook, Kane, Lake, Tazewell, McLean, DuPage, and the Sheriffs' Association are still against this bill. Thank you. I urge a...

PRESIDING OFFICER: (SENATOR HARMON)

Senator Schoenberg.

### SENATOR SCHOENBERG:

Will and Cook are not opposed to this any longer. Will and Cook are not opposed to this any longer. Thank you.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Righter, for what purpose do you seek recognition? SENATOR RIGHTER:

To the bill, if I might, Mr. President.

PRESIDING OFFICER: (SENATOR HARMON)

To the bill, Senator.

## SENATOR RIGHTER:

Thank you. Ladies and Gentlemen of the Senate, I can't give you a list of all hundred and two counties and who's for it and who's against it. I do want to talk a little bit about kind of a couple of the broader themes that are involved in the bill. One issue that hasn't been talked about at all is the second component of this bill, and that is, it requires that notice be given to the last-known insurer of a foreclosed property. That is very important to your insurers back home, because they don't get notice of that now, and those people back home will tell you that the likelihood of an incident - a fire, vandalism, something that costs the insurance company more and, therefore,

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the premium payers more - is much higher once a party -- once a property goes into foreclosure. This bill would require them to get some notice of that, which is eminently fair appropriate. With regards to the foreclosure sales, two points: One, this involves not at all the rights or the protections of someone whose home is being foreclosed upon. This is after all of that occurs. And the -- the process now that is handled by the government is one that can be handled in an efficient manner by the private sector. The issue here is whether or not we are going to take part of this process and say it can be done more efficiently and more cost effectively in the private sector, as opposed to leaving it with the sheriffs, who are not by trade real estate agents, and done there, and still leave a small portion of it, with the fee that Senator Schoenberg has talked about, with the government. I think that's something that we should be for. I understand that local governments will lose some revenue, but they'll lose revenue because they -- we won't be having them do something that they shouldn't be doing in the first place. For those reasons, Mr. President, I urge an Aye vote.

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Further discussion? Senator McCann, for what purpose do you rise?

SENATOR McCANN:

Thank you, Mr. President. Will the sponsor yield?
PRESIDING OFFICER: (SENATOR HARMON)

The sponsor indicates that he will yield. Senator McCann. SENATOR McCANN:

Senator Schoenberg, on this amendment that you've

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referenced - and I apologize, but in my analysis I'm having trouble deciphering exactly what it is that makes this much more palatable to the prior opposition - could you explain that amendment just a little bit more for me, please?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Schoenberg.

### SENATOR SCHOENBERG:

Yes, the -- what the amendment does is requires the purchasers, the third-party buyers of a foreclosed property, to pay the fee -- three-hundred-dollar fee -- would be -- which would be remitted to the county in which the foreclosed property is located.

PRESIDING OFFICER: (SENATOR HARMON)

Senator McCann.

### SENATOR McCANN:

And what in that amendment changed? What language changed from the -- from the previous version that makes it much more amenable?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Schoenberg.

## SENATOR SCHOENBERG:

The consequence of that is that in some of the more populous counties, the -- the fee -- some of the more populous counties, where you have the most transactions, that the -- is the greatest financial -- as you're putting more properties into the pipeline to take to market as quickly as you as you can, so as not to diminish the value of all the other surrounding properties, there's an additional burden, administrative burden, placed on the courts. What this does is, in those -- couple of

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those counties, where you have the greatest volume, it alleviates just that.

PRESIDING OFFICER: (SENATOR HARMON)

Further discussion? Senator Garrett, for what purpose do you rise?

SENATOR GARRETT:

Yes, thank you, Mr. President. Will the sponsor yield?

PRESIDING OFFICER: (SENATOR HARMON)

The sponsor will not yield.

SENATOR GARRETT:

Yes, he is. He's...

PRESIDING OFFICER: (SENATOR HARMON)

The sponsor indicates he will reluctantly yield, Senator Garrett.

### SENATOR GARRETT:

I knew he would. Okay. Senator Schoenberg, can you tell me about the transparency of the process, the plaintiffs versus the counties, please? How the process works, how the FOIA process works, how the information will be made available, how one can have access to that -- these documents?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Schoenberg.

### SENATOR SCHOENBERG:

I'm -- I'm sorry, I was distracted. Could you repeat the question, please?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Garrett.

### SENATOR GARRETT:

Can you, Senator Schoenberg, explain to the Senate how the

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process works when it comes to making the documents - the foreclosure documents, the court documents - transparent, available, and accessible? In addition, can you explain to us how the FOIA process will work with the plaintiffs versus the county?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Schoenberg.

### SENATOR SCHOENBERG:

This bill would not at all change the existing process of what's available in the -- what information is available in the public domain.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Garrett.

## SENATOR GARRETT:

Yes, to the bill: Senator...

PRESIDING OFFICER: (SENATOR HARMON)

To the bill, Senator.

## SENATOR GARRETT:

Senator Schoenberg is correct that -- well, I'm not sure what he -- how he answered. But, in fact -- but, in fact, the -- one of the problems with this is that we are taking the transparency away from the public to find the information that right now is very much available and accessible through websites, through phone calls. We would -- we would be going backwards. We would be asking for information. We would have to FOIA information, and because of that, we may not be entitled to information. So, I agree with Senator Schmidt. I think this is going backwards. We are setting up a -- a situation where the public will not be entitled to information and the control

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is taken away by private industry. I urge a No vote.

PRESIDING OFFICER: (SENATOR HARMON)

Is there any further discussion? Senator Schoenberg, do you wish to close? Senator Schoenberg, to close.

### SENATOR SCHOENBERG:

With all due respect to the previous speaker, with whom I have a great deal of regard, even now, there's no change in what information is available in the public domain. The use of private sellers -- the use of private -- the use of private sellers plays a critical role, namely, in order to be able to enable more properties, particularly at this critical time, which are foreclosed and which are impacting all the surrounding properties, to get into the marketplace. The amendment that was added lifted -- lifted most, not all but most, of the opposition. I understand in Lake County and in other places, there's still some opposition. In Cook and Will, they're supportive of it and I'd urge an Aye vote.

## PRESIDING OFFICER: (SENATOR HARMON)

The question is, shall House Bill 1293 pass. All those in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 32 voting Aye, 18 voting No, 1 voting Present. And House Bill 1293, having received the required constitutional majority, is declared passed. House Bill 1355. Senator Hunter. Senator Hunter. Out of the record. Senator Bivins, for what purpose do you rise?

### SENATOR BIVINS:

Thank you, Mr. President. I wanted to verify the roll on

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that last bill?

PRESIDING OFFICER: (SENATOR HARMON)

We -- we have turned to subsequent business since.

SENATOR BIVINS:

I -- I did have my light on, Mr...

PRESIDING OFFICER: (SENATOR HARMON)

I'm sorry, I did not see your light on, Senator. Bear with me for a minute. Senator, I'm afraid we have -- we did move on to the next bill. I did not see your -- your light on, and I --I apologize. I -- I did not see you standing or trying to get my attention either. I apologize if I -- if I didn't recognize you in a timely fashion. Continuing on the Order of House Bills 3rd Reading is Senate {sic} Bill 1698. Senator Raoul. With leave of the Body, we'll return to House Bill 1717. At the top of page 59 of your printed Calendar is House Bill 1719. Raoul. House Bill 1883. Senator Hutchinson. House Bill 3039. Senator Lightford. At the top of page 60 of your printed Calendar, still on the Order of House Bills 3rd Reading, is House Bill 3329. Senator Muñoz. Ladies and Gentlemen of the Senate, earlier we -- Body -- the Body gave leave to return to a -- a few motions to concur. Let's turn back to the top of page 61 on our printed Calendar. We have Senate Bill 87. Senator Jacqueline Collins, do you wish to proceed? Madam Secretary, please read the motion.

### SECRETARY ROCK:

I move to concur with the House in the adoption of their Amendment No. 1 to Senate Bill 87.

Filed by Jacqueline Collins.

PRESIDING OFFICER: (SENATOR HARMON)

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Senator Collins, to explain your motion. SENATOR J. COLLINS:

Thank you, Mr. President and Members of the Committee {sic}. I'm motioning to recommend do adopt the concurrence. Based on House Amendment No. 1, which becomes the bill, it guts what was in the bill when it went over to the House. And basically what it does, it amends the Transmitters of Money Act by exempting currency exchanges licensed under the Currency Exchange Act from licensure under the Act only for the issuance of money orders and the sale, loading, and unloading of stored value cards. All this does is just add in the category of the sale, loading, or unloading of stored value cards.

PRESIDING OFFICER: (SENATOR HARMON)

Is there any discussion? Any discussion? The question is, shall the Senate concur in House Amendment No. 1 to Senate Bill 87. All in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 50 voting Aye, none voting No, none voting Present. Having received the required constitutional majority, the Senate does concur in House Amendment No. 1 to Senate Bill 87, and the bill is declared passed. Senator Muñoz, for what purpose do you seek recognition?

SENATOR MUÑOZ:

Thank you, Mr. President. Point of personal privilege.

PRESIDING OFFICER: (SENATOR HARMON)

Please state your point, Senator.

SENATOR MUÑOZ:

Mr. President, Ladies and Gentlemen of the Senate, today I

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have with me Joe and Nancy, and their granddaughter, Alexis. They are not only my constituents, but they're my neighbors. They live a couple blocks from me. And actually, Joe has known my family probably about thirty-five/forty years. So, if we can welcome them to the Senate, I'd appreciate it.

PRESIDING OFFICER: (SENATOR HARMON)

Will our guests in the gallery please rise and be welcomed to the Illinois State Senate? Senator Righter, for what purpose do you rise?

SENATOR RIGHTER:

Inquiry of the Chair, if I might, Mr. President.

PRESIDING OFFICER: (SENATOR HARMON)

Please state your inquiry.

SENATOR RIGHTER:

Does the -- does the Chair or anyone in Leadership on your side have any feel for when the 9:20 a.m. Assignments Committee might start?

PRESIDING OFFICER: (SENATOR HARMON)

We hope it will start soon. Senator Muñoz in the Chair.

PRESIDING OFFICER: (SENATOR MUÑOZ)

Senator Righter, for what purpose do you seek recognition? SENATOR RIGHTER:

Mr. President, can you come back to me here in about one minute? Thank you.

PRESIDING OFFICER: (SENATOR MUÑOZ)

Senator Harmon in the Chair.

PRESIDING OFFICER: (SENATOR HARMON)

Ladies and Gentlemen of the Senate -- Senator Righter, you'd inquired earlier about the scheduling of the Assignments

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Committee meeting. We are waiting for a draft from the Legislative Reference Bureau on the workers' compensation bill. We expect that will be filed shortly and we would then turn to the Committee on Assignments. We appreciate the Members' patience. I know it's Saturday morning and -- and folks are eager for us to move forward with our work. We are just standing at ease, waiting for that -- that paperwork to catch up with us. Senator Righter, for what purpose do you rise?

Thank you, Mr. President. And I appreciate the response and I know that you appreciate it, I'm sure, because you're hearing it on your side of the aisle as well, and I'm voicing on our side and, quite frankly, from Members on your side. This Senate was set to start its business at 8:30 and the Assignments Committee was set to meet at 9:20. It is now five minutes till 11 and that committee has still not met. We -- we called this -- it was my recollection that the reason we scheduled at 8:30 this morning was rather than work late into the night last night. I just -- I know that Members on our side, and I'm sure on your side, have made some measure of plans to at least get home and spend a little time with their families and loved ones on this weekend, before we go back to work Sunday. And I hope that the pace of this work and the promptness can improve quickly. Thank you, Mr. President.

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Senator Noland, for what purpose do you seek recognition?

### SENATOR NOLAND:

How about -- there we go. Thank you, Mr. President. Point

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of personal privilege, if I may.

PRESIDING OFFICER: (SENATOR HARMON)

Please state your point, Senator.

### SENATOR NOLAND:

Thank you. Just thought I'd take this time while we're not so busy to introduce my Page for the Day. His -- this gentleman -- why don't you stand up, Frank? I have with me, Frank Vaughn, son of a nice lady that we all know, Margaret Vaughn. Frank attends Alphonsus School in Lemont, where his favorite subjects are social studies and math. He'd like to be a Senator one day. And, recreationally, his favorite sport right now is volleyball. I'd ask that we give him a very warm Senate welcome, if you would please.

## PRESIDING OFFICER: (SENATOR HARMON)

Join Senator Noland in welcoming young Mr. Vaughn to the State Senate. Welcome. Ladies and Gentlemen of the Senate, the hour of 9:20 standard Senate time having arrived, the Committee on Assignments will meet immediately in the President's Anteroom. Will all the members of the Committee on Assignments please report to the President's Anteroom immediately? The Senate stands at ease. (at ease)

PRESIDING OFFICER: (SENATOR CROTTY)

The Senate will come to order. Madam Secretary, Committee Reports.

### SECRETARY ROCK:

Senator Clayborne, Chairman of the Committee on Assignments, reports the following Legislative Measures have been assigned: Refer to the Energy Committee - House Bill 815; refer to the Executive Committee - Floor Amendment 3 to Senate

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Bill 175, Floor Amendment 4 {sic} to House Bill 1698, Motion to Concur with House Amendment 1 to Senate Bill 1933; refer to the Executive Appointments Committee - Appointment Message 124; refer to the Licensed Activities Committee - Motion to Concur in House Amendment 4 and 5 to Senate Bill 1539; refer to the Transportation Committee - Motion to Concur with House Amendment 1 to Senate Bill 959; re-refer from the Executive Committee to the Assignments Committee - House Bill 1084 and House Bill 2972. Signed by Senator James F. Clayborne, Chairman.

Senator Clayborne, Chairman of the Committee on Assignments, reports the following Legislative Measures have been assigned: Be Approved for Consideration - House Bill 1084 and House Bill 2972.

Signed by Senator James F. Clayborne, Chairman.

PRESIDING OFFICER: (SENATOR CROTTY)

The Senate will stand at ease while the Committee on Assignments continues to finish their work. (at ease) Senate will come to order. Madam Secretary, Committee Reports.

SECRETARY ROCK:

I have a corrected report from Senator Clayborne. Refer to the Executive Committee is Floor Amendment 5 to House Bill 1698 - Floor Amendment 5 to House Bill 1698.

Then I have Report No. 3.

Senator Clayborne, Chairman of the Committee on Assignments, reports the following Legislation Measures have been assigned: Refer to the Executive Committee - Floor Amendment 2 to House Bill 2972.

Signed by Senator James F. Clayborne, Chairman.

PRESIDING OFFICER: (SENATOR CROTTY)

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Ladies and Gentlemen, the following committees will be meeting to take up committee or Floor amendments: The Executive Committee will meet in Room 212 at 12:30 p.m. Senator Muñoz, for what purpose do you rise?

SENATOR MUÑOZ:

Madam President, Ladies and Gentlemen of the Senate, I move to waive all posting requirements so that Appointment Message No. 124 can be heard in the Senate Committee on Executive Appointments on Monday, May 30th, at 9:02 a.m.

PRESIDING OFFICER: (SENATOR CROTTY)

Senator Muñoz moves to waive all posting requirements so that Appointment Message No. 124 can be heard in the Senate Committee on Executive Appointments on Monday, May 30th, at 9:02 a.m. All -- all those in favor will vote Aye. Opposed, Nay. The Ayes have it, and the motion is adopted. The Senate will stand in recess to the call of the Chair. After committee meetings, the Senate will reconvene to receive committee reports and for further Floor action. The Senate stands at recess.

(SENATE STANDS IN RECESS/SENATE RECONVENES)

PRESIDING OFFICER: (SENATOR TROTTER)

The Senate will come to order. Madam Secretary, Messages, Committee Reports.

SECRETARY ROCK:

Senator Harmon, Chairperson of the Committee on Executive, reports Senate Amendments 3 and 5 to House Bill 1698 recommended Do Adopt.

A Message from the House by Mr. Mahoney, Clerk.

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Mr. President - I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to wit:

Senate Bill 122.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to wit:

House Amendment 1.

We have received like Messages on Senate Bill 395, with House Amendment 7; Senate Bill 1040, with House Amendment 2; Senate Bill 1306, with House Amendments 1 and 2; Senate Bill 1544, with House Amendment 2; Senate Bill 1555, with House Amendment 2; Senate Bill 1631, with House Amendment 2. They all passed the House, as amended, May 28th, 2011. Mark Mahoney, Clerk of the House.

PRESIDING OFFICER: (SENATOR TROTTER)

Will all Members within the sound of my voice please come to the Senate Floor? Getting ready to go to Supplemental Calendar 1. Will all Members please come to the Senate Floor? With leave of the Body, Diane Lee, from Illinois Statehouse News, asks for leave to film our proceedings this afternoon. Seeing there's no objection, leave is granted. We also have Mike Brooks, from WICS, who asks leave to video our proceedings, as well. Seeing no objections, leave is granted. President Harmon, in the Chair.

PRESIDING OFFICER: (SENATOR HARMON)

Ladies and Gentlemen of the Senate, Senate Supplemental Calendar No. 1 has been distributed to the Members' desks. On that Calendar is House Bills 2nd Reading. Senator Forby. Madam

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Secretary, please read House Bill 1084.

SECRETARY ROCK:

House Bill 1084.

(Secretary reads title of bill)

2nd Reading of the bill. No committee or Floor amendments reported.

PRESIDING OFFICER: (SENATOR HARMON)

3rd Reading. Ladies and Gentlemen of the Senate, we are turning to final action. On your printed Calendars, on page 58, on the Order of House Bills 3rd Reading, is House Bill 1698. Senator Raoul, you wish to proceed? Senator Raoul seeks leave of the Body to return House Bill 1698 to the Order of 2nd Reading. Seeing no objection, leave is granted. Now on the Order of 2nd Reading is House Bill 1698. Madam Secretary, have there been any Floor amendments approved for consideration? SECRETARY ROCK:

Floor Amendment 3, offered by Senator Raoul.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul, on Floor Amendment No. 3 to House Bill 1698. SENATOR RAOUL:

Mr. President, Floor Amendment 3 deletes all and becomes the bill. I'd like to explain it on 3rd.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul moves for the adoption of Floor Amendment No. 3 to House Bill 1698. All in favor, say Aye. Opposed, Nay. The Ayes have it, and the amendment is adopted. Have there been any further Floor amendments approved for consideration? SECRETARY ROCK:

Floor Amendment 5, offered by Senator Raoul.

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PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

SENATOR RAOUL:

Thank you, Mr. President. Floor Amendment 5 clarifies a Section dealing with collective bargaining of workers' comp. I'll explain it in more detail on 3rd.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul moves for the adoption of Floor Amendment No. 5 to House Bill 1698. All in favor, say Aye. Opposed, Nay. The Ayes have it, and the amendment is adopted. Madam Secretary, have there been any further Floor amendments approved for consideration?

## SECRETARY ROCK:

No further amendments reported.

PRESIDING OFFICER: (SENATOR HARMON)

3rd Reading. Now on the Order of 3rd Reading is House Bill 1698. Madam Secretary, please read the bill.

## SECRETARY ROCK:

House Bill 1698.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

## SENATOR RAOUL:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. This is a good day for employers in the State of -- in the -- the State of Illinois, for job seekers in the State of Illinois, because we are bringing true workers' compensation reform to the State of Illinois. Before I explain the deal in

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detail, there are a few people I want to recognize and thank. First and foremost, two people: Senate President John Cullerton and Minority Leader Christine Radogno -- who spent -- with whom I spent hours negotiating portions of this bill. Over the course of the last few months, I have spent hours in a hot room with Representative John Bradley. So much time that I -- I -- I have decided I'm going to purchase a seersucker suit and -- and wear it on my first day back to Session next -- next year. I'd like to thank the staff members, both Adam Margolin, in the House, and Kim Janas, who does a wonderful job on our staff. House Bill 1698 -- and -- and I want to thank and recognize a gentleman, who we're losing to the federal government, Director Michael McRaith, who's -- upstairs in the gallery.

## PRESIDING OFFICER: (SENATOR HARMON)

Senator, do you have a staff member to your left you'd like to introduce as well?

### SENATOR RAOUL:

And -- and I -- I do want to recognize one of my constituents, who has been complaining to me about her workers' compensation premiums, my wife, a small business owner in Chicago. Ladies and Gentlemen of the Senate, I have before you today a bill that will bring hundreds of millions of dollars of savings to employers in the State of Illinois. House Bill 1698 has several provisions in it that will bring about savings and reform to our workers' compensation system. First off, the most significant savings will be realized by a thirty percent reduction in the medical fee schedule to address healthcare costs that are the second highest in the United States. Now, it was mentioned in committee that we're pitting the -- that --

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that a bill that was considered earlier this Session was a more favorable bill and this bill was pitting the medical treatment community against the business community. I'd like to clarify that Senator McCarter showed leadership in setting a thirty percent fee schedule that was voted on by the gentleman who complained about pitting the business community against the medical treatment community. This will bring about in the area of five hundred million dollars in savings to employers in the State of Illinois and I think we should all be in support of -of that. There will also be savings realized with regards to medical fees with regards to medical implants that are to be reimbursed at twenty-five percent above cost. Much discussion has taken place with regards to choice of physician and the doctor shopping that sometimes takes place in the workers' comp system. We have a provision in here that allows for the setting up of workers' compensation provider networks by employers, to be approved by the Department of Insurance. It should be clear that this reduces the choice of employees to choose doctors if they do not select one of their choices within a provider network. Mr. President. It is to be clear that this provision will reduce the costs -- reduce the choices by one if a -- a petitioner, an injured employee, does not choose within a provider network. This will provide incentive for employees to choose a physician within provider networks, and then will thereby reduce costs. Let me be clear that the intent is to give the injured worker at least one free choice of medical provider, including all referrals at any time, when the employer has an approved workers' compensation PPO program, whether the employee received -- receives treatment in that PPO program or

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The other area of savings is the area of indemnity, an area we call permanent partial disability. For the first time ever, the State of Illinois will be embracing the American Medical Association's quidelines with regards to impairment. So the Illinois Workers' Compensation Act will have a provision in there that says physician's {sic} impairment shall be rated by physicians that are certified to give -- to apply -- AMA guidelines to rate impairment and that will be the only way that rating of impairment will take place within the Illinois -- Workers' Compensation System. Thereafter, the rating of disability by arbitrators will take into account that rating of impairment, the occupation of the injured employee, the age of the injured employee, and the employee's future finally, evidence of disability earning capacity, and corroborated by the treating medical records. Now I engaged, during negotiations, in a conversation with the workers' compensation counsel for Caterpillar that was not a proponent of that fifth provision and -- and I asked him, how does one -- how -- how would an arbitrator reconcile two independent medical examinations from AMA certified physicians without looking at treatment records? And he could not provide me an answer. And that is why this provision is in here, 'cause there is no way you can do it. And we have to be fair to injured employees and fair to arbitrators, for that matter, when they're evaluating two conflicting independent medical examinations. We have very strengthened utilization review, such that, retroactively and prospectively, an employer can challenge medical treatment if it is deemed by a utilization review entity, using nationally recognized treatment guidelines, if --

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if that treatment is being deemed unnecessary or excessive. After an admissible utilization review report, the burden is shifted to the employee to prove by a preponderance of the evidence that medical treatment was necessary and not excessive. This will greatly reduce the cost to our system. We have other -- we all have heard about the situation at Menard Correctional Facility with regards to carpal tunnel cases. For the first time ever, our Workers' Compensation Act will set a cap on recovery for carpal tunnel cases. It will be set at twentyweeks, and the petitioner will, in an extenuating circumstance, will bear the burden, by clear and convincing evidence, to go beyond that cap. There will be great reforms at the Workers' Compensation Commission. There have been a lot of complaints of cozy relationships and security of arbitrators at the Workers' Compensation Committee -- Commission. On July 1st of 2011, all of the arbitrators at the Workers' Compensation Commission will be terminated. The Governor will be able to appoint new Workers' Compensation Commission arbitrators with the advice and consent of the Senate. There'll be new standards of conduct. All arbitrators and commissioners will have to undergo training in AMA guidelines, as well as in utilization review. There will be a gift ban. There will be strengthened fraud provisions in this bill. As -- as far as medical providers are concerned - many have raised concern that we are hitting medical providers hard in this bill - we have shortened the period of time when interest and penalties can be assessed to employers that aren't paying medical bills on time. addition, it was suggested by medical providers that we need to embrace an electronic billing process. This bill requires the

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Director of the Department of Insurance to propose rules for the electronic payment of workers' compensation medical claims by January 1, 2012. The bill also authorizes the Director of Central Management System {sic} (Services) to prepare and implement a plan providing for the purchase of workers' compensation insurance for the State of -- State (or) for thirdparty administrators of claims. Ladies and Gentlemen, this bill brings about true reform to our workers' compensation system in the State of Illinois. There was a bill that was being considered earlier this year that received the unequivocal support of the Illinois Chamber of Commerce. That was -- I believe, it was House Bill 1066. This bill goes far beyond House Bill 1066 with regards to the savings, with regards to having AMA guidelines in the -- in the Workers' Compensation Act, which -- which did not exist before. This is a good bill for employers of the State of Illinois. This is a good bill for the citizens of the State of Illinois and I urge every Member of this Body to vote Aye.

PRESIDING OFFICER: (SENATOR HARMON)

SENATOR DILLARD:

Thank you, Senator Raoul. Senator Dillard, for what purpose do you seek recognition?

Thank you, Mr. President and Members. I rise in favor of this bill. But it should have been a better bill for Illinois employers and I don't like the fact that its primary savings come from physicians and hospitals, in far too greater percentage than I perhaps would like. And there are other ways that we could have had substantial savings, like a tougher causation standard to reduce the cost for Illinois employers and

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to mitigate the pretty deep cut that physicians and hospitals are -- are going to experience. But this bill, in -- in my estimation, in baseball terminology, is a sliding double. You know, it is clearly a -- a sliding double. I am heartened by the fact that other states will continue to work on their worker compensation systems and that's going to continue to keep pressure on Illinois to do more. And this issue will not go away. As our neighbors know that they must reduce the cost of companies doing business in their states, Illinois is going to have to come back and make refinements, and hopefully that guy or that employer on second base will get to home plate here in Illinois in the future. I want to really thank Senator Radogno, my Leader, our Leader on this side of the caucus, and Senator McCarter. In fact, Kyle and Chris are -- are not -- they're not attorneys, like the sponsor of this bill or myself or Senator Murphy, who actually practices in this particular area. Senator Radogno and Senator McCarter ought to get awarded for the time they put in. And I was incredibly impressed with their ability to understand these difficult issues. So, Kyle McCarter and Chris Radogno ought to become honorary lawyers after this exercise. Just to close, Mr. President, you know it's easy for us to sit here and say, hey, we could have had more and -- and thump our chests, or what have you, but it's not us that are writing the checks every day to run the businesses in Illinois. And this bill will give, according to Director McRaith -- and like the sponsor, I want to echo my congratulations to the Director who's going to go be the insurance czar of the United States. But Director McRaith and his Department think this is a half a billion dollars of savings to Illinois employers. And

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it's not my money; it's employers' money, and I want to give 'em relief and give 'em relief right away. But I do think we're going to keep coming back to this issue. We'll have pressure from other states. I would like to see some mitigation of how we're hurting physicians and hospitals here, but it's not going away. But this is a good step forward and I would urge an Aye vote. Thank you all very much.

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator Dillard. Senator Duffy, for what purpose do you seek recognition?

SENATOR DUFFY:

Question for the sponsor, Mr. President.

PRESIDING OFFICER: (SENATOR HARMON)

Sponsor indicates that he'll yield. Senator Duffy. SENATOR DUFFY:

You know, I -- I would just like to say -- for the sponsor and friend of mine, I -- I'd like to ask four main questions, but first I'd just like to say -- I want to thank Senator McCarter for all the work that he's done on his workmen's compensation bill. I think Senator McCarter really did a great job putting this information out there, drafting a bill, and getting this discussion started, when he was told, and we were all told many different times, that it wasn't possible, even to get to the point that we're at right now. Senator McCarter regrettably couldn't be here today because he's at his son's wedding, but I would like to thank him for all of his efforts. Senator Raoul, does this bill contain a standard for causation, and if not, why not?

PRESIDING OFFICER: (SENATOR HARMON)

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Senator Raoul.

#### SENATOR RAOUL:

Thank you. Yes, this bill sets forth in the statute that if an -- if an employee is injured, for that injury to be compensable, that injury would have -- would have had to arise out of or in the course of employment.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Duffy.

### SENATOR DUFFY:

And -- and at this point, I don't want to debate the wording of the bill and the vague wording that -- that it includes when it talks about causation, so I'm going to go on to the next question. Can medical treatment records be reviewed or challenged by employers under this new legislation?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

#### SENATOR RAOUL:

Employers have access to what is called utilization review. I mentioned that earlier. So, employers will be -- we have a heightened standard for utilization review. And -- and what -- what this utilization review is, Senator, is looking at medical treatment records and determining whether it was unnecessary or excessive. And so, employers, yes. Absolutely.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Duffy.

#### SENATOR DUFFY:

Thank -- thank you, Senator. But, of course, the wording is so vague that they're unable to challenge it, which is why -- in my opinion, one of the main reasons why Caterpillar has

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decided to go neutral on this bill. My next question is, can an employee at Menard Prison continue to go to the same doctor that has signed off on over three hundred claims of carpal tunnel, under this new legislation?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

SENATOR RAOUL:

If -- if that doctor still has his license at the time, yes.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Duffy.

SENATOR DUFFY:

Okay, so then that -- that's not going to stop the problem that's been happening at Menard right now, because that means that people can get out-of-network care and go to the same doctor that's been giving claim after claim. For my -- my last question: If an employee is definitely found to be intoxicated, can another factor be found to be the fault to allow their claim anyway? And if you can just stay with me for one second on this - for example, if he or she runs into a pallet rack with a forklift that they are driving and the goods fall down on top of them, causing an injury to the worker, could that worker claim that there may have been something else wrong, such as something minor wrong with the forklift? Like something as minor as the forklift possibly could have needed maintenance? And if so, would the intoxicated worker still receive compensation?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

SENATOR RAOUL:

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Let me explain the intoxication provision. The -- the -- under current law, the benefits will -- will be denied only if an employer can demonstrate the injury arose out of the intoxication, instead of out of the course of employment, and the employee was so intoxicated that the level of intoxication represents a departure from employment. The bill reverses the burden, meaning that if at the type -- time of the workplace injury, there's greater than .8 {sic} (.08) percent of alcohol in an employee's blood or breath or if there's evidence of impairment due to the unlawful or unauthorized use of drugs, then the employee must prove the alcohol or drugs did not cause the workplace accident.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Duffy.

#### SENATOR DUFFY:

And, again, due -- due to the language, and the vague language of this bill, people still, even if they're intoxicated on the job - and unfortunately that's a big concern right now, because that happens too much at companies - they still will receive compensation because this loophole is not closed. It was closed in Senator McCarter's bill by wording, because he used "approximate cause". In this bill the wording "sole cause" is in there. So this is -- these are some of the main reasons why I believe that good organizations, like the NFIB, who represents small business owners across the United States, and also the Illinois Chamber, Caterpillar, and other companies, are not in the Yes column on this and they are neutral. But, to the bill, Mr. President.

PRESIDING OFFICER: (SENATOR HARMON)

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...the bill, Senator.

#### SENATOR DUFFY:

I understand business. I was an international buyer. sold jet engines all over the world. I have worked for Fortune 500 companies and I started my own business out of my apartment over fifteen years ago. I have hired employees and created jobs, so I understand the workmen's compensation flaws that we have in our current system. I know how much we need a legitimate workmen's compensation reform bill, especially after the Majority in this Chamber passed the largest tax increase in Illinois history on businesses and working families. understand things are very bad in Illinois. You really need I get it. You have been touting workmen's some wins. compensation reform as one of your top priorities and now you want to show meaningful legislation to address this huge However, just as Senator Raoul said about Senator McCarter's legitimate workmen's compensation reform bill earlier this year, this bill is not soup yet. This bill has about as much real workers' compensation reform in it as did your socalled ethics reform bill had actual ethics reform. doesn't address our number one problem with workmen's compensation, which is causation. It does not address whether or not the claimed injury occurred at the workplace. One simple sentence would make this piece of legislation worthwhile. you simply inserted in this bill a line stating "the primary cause of injury occurred at the workplace", it would make a world of difference. That's it. "If the primary cause of injury occurred at the workplace" - a very fair and reasonable line. That one sentence would help put companies in Illinois on

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a level competitive playing field with other states, as far as workmen's compensation is concerned. However, you will not put this line in your bill. The powerful trial lawyers won't allow That one line would decrease their workers' compensation cases and would -- would not let Illinois continue to be the feeding frenzy for workmen's compensation lawyers, like it is This bill has so many loopholes in it you could drive a truck through 'em. According to this bill, a person can be working at a warehouse, driving a forklift, be drunk off their gourd, get in an accident, and a small business owner, who the person works for, will be totally responsible for the injuries and the damages. Now is that fair? Is that justice? Will that bring jobs back to Illinois and encourage job growth here? Some of these so-called business lobbyists supporting this bill have immediately agreed to every single version of your bill, even when it didn't have any wording in it and there was nothing more in this bill other than an empty bill with a name on it. I think it's too bad that we didn't have the fortitude to stick together just a little bit longer so we could have some real reform and have a real reform bill with substantial changes. Illinois businesses, especially Illinois small businesses that provide eighty percent of the jobs in this State, are the biggest losers in this bill. Nobody is giving them any special deals and they will be paying the tab for the so-called workmen's compensation review bill. The trial lawyers, the lobbyists, and all the surrounding states to Illinois win big with this bill. However, I refuse to jump on and support a bill just because it has the word "reform" in the title. I expect more out of Illinois and I would hope all you would also.

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realize that this bill is probably going to pass; however, I will be voting No on this bill. This bill is a head fake and its so-called savings will be dwindled by increased claims small business owners will be paying if they decide to keep their companies in this State, and that's a big if. Remember, business owners are not dumb. You can call this bill whatever you want, but this is going to do nothing to bring jobs back to the State. Sometimes not having any bill at all is better than having a bad bill. This bad bill is going to put off any real reform in Illinois on workmen's compensation for years to come. Thank you, Mr. President.

PRESIDING OFFICER: (SENATOR HARMON)

And thank you, Senator Duffy. Senator Holmes, for what purpose do you rise?

SENATOR HOLMES:

To the bill, Mr. President.

PRESIDING OFFICER: (SENATOR HARMON)

To the bill, Senator.

### SENATOR HOLMES:

I just want to mention on this topic, after having been a small business owner for about twenty years, I had some concerns as this was in -- in the process, and I was hoping that it was going to be really much of an agreed bill process. And throughout this, talking to many different groups, I -- I did have some concerns. I know our Trial Lawyers came out neutral, although they're still not really happy with the bill. Big business is neutral and in some cases supporting, although not completely happy with the bill. I've always felt that the best bills don't actually have everybody in the world happy on them.

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I would have liked to have seen us work a little more with the Med Society, because I know that thirty percent reduction, they would have liked to have seen moved to twenty. And I just think a little more work could have been done on this; however, I still think this is a step in right direction. And for that, instead of tossing my hands up and saying like some of the other people on the other side of the aisle are saying, well, it's not enough, so I'm not going to vote for it or do anything at all, I think what I would just like to say is, I think this is a good I think this is certainly taking us in the right direction. I would just like to see this be a starting point rather than the entire endgame. So for that, I do want to commend the sponsor of this bill and all the others that worked so hard on this vitally, vitally important issue, and this is such an important issue to the employers. And let's not forget who's not being mentioned here that this is vitally important to, and that is, the legitimately injured worker. So I just want to commend the sponsors for working on that and I will definitely be voting Yes on this bill. Thank you.

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. There are still six Senators seeking recognition. I will leave it to each of you to define the mood of the Chamber as you determine how long you will speak for. Senator Brady, for what purpose do you rise?

SENATOR BRADY:

Thank you, Mr. President. A question of the sponsor. PRESIDING OFFICER: (SENATOR HARMON)

Sponsor indicates that he will yield. Senator Brady. SENATOR BRADY:

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Senator, to you and all the other individuals who've worked hard on this, I want to compliment you on your -- to say the least, your efforts. A number has been thrown out - several numbers have actually been thrown out - on how much this will save and I know there's an advisory commission that will come back with advisory rates. What is your estimate in the savings that this bill will provide?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

#### SENATOR RAOUL:

In -- in my opinion, and -- and I'm no expert at assessing this, but it will save an excess of five hundred million dollars, probably in the -- between six to seven hundred million dollars.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Brady.

#### SENATOR BRADY:

Currently, what is the total cost of the workers' compensation system in Illinois?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

#### SENATOR RAOUL:

Three billion.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Brady.

#### SENATOR BRADY:

And what percent -- how -- how are those costs broken down, medical and other costs? How are they broken down and -- based on that figure?

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PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

#### SENATOR RAOUL:

It's -- it's approximately, not -- not accurately, it's half medical and half indemnity.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Brady.

#### SENATOR BRADY:

And I guess I'm speaking to a point I brought up in committee that I was criticized for: If that's the case, then this workers' compensation system in Illinois approximately is a billion five in medical costs. Your bill is reducing those costs by thirty percent, which is nearly all the estimated cost savings. Correct?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

#### SENATOR RAOUL:

It is certainly a significant portion. Yes.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Brady.

### SENATOR BRADY:

To the bill: And -- and this is my point, is I don't even think we're getting to second base in this bill. When I indicated earlier that this piece of legislation unfortunately pits the business community against the medical community, it is because it is a -- a sole, single attack. Workers' compensation reform requires reform in all areas. It appears that there's very little savings in the other areas of this legislation, and that's the problem with this piece of legislation. I'm going to

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support this legislation, because it's a step in the effort to improve Illinois' job climate. But, Ladies and Gentlemen, let us not kid ourselves. This is not a well-rounded piece of legislation. It attacks the physician and the provider networks unfairly, and we can do better than that. I stand here today agreeing with Senator Holmes that this is just a start. If we're going to really help the business climate in Illinois, in order to bring jobs back and keep jobs here, we've got to focus on the other areas of savings that we focused on in the previous legislation this Chamber took up. Again, I want to compliment those -- but caution you that this doesn't go clearly far enough and it does pit the business community unfairly against the medical community in my mind.

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator Brady. My observation a moment ago that there were six Members seeking recognition in fine Senate fashion, apparently caused three Members to think that was just not enough. So we now have eight Members seeking recognition. Senator Garrett, for what purpose do you rise?

SENATOR GARRETT:

Yes, will the sponsor yield, please?

PRESIDING OFFICER: (SENATOR HARMON)

Sponsor indicates he will yield.

### SENATOR GARRETT:

Senator Raoul, I -- I also want to thank you and Representative Bradley for all your hard work. When you were speaking, you talked about the -- the arbitrators and how they are going to be replaced. So my question to you is, the way the current -- arbitrators -- the system is setup, regarding ethics

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and accountability, how will it change when we get rid of that group and make new appointments?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

#### SENATOR RAOUL:

Currently, they -- they -- they are hired by the Commission. Once they are terminated, the Governor will -- will -- will hire the first set of arbitrators to terms of three years - that first set with advice and consent of -- of the Senate - and they would be -- have to be reaffirmed by the full Commission every three years. There are added ethics standards. There are standards to make sure we move around that arbitrator, so they don't get too cozy. There -- there -- there are critical reforms that differentiate today's system with regards to arbitrators and the standards that will exist after we pass this bill into law.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Garrett.

#### SENATOR GARRETT:

And I appreciate that and I think that's a really good sign. I do want to follow up, though. So, is there going to be criteria established for the appointment of these arbitrators?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

#### SENATOR RAOUL:

Well, there -- there is in current law, and I -- you know - you know, going forward, I'm -- I'm sure. And -- and I remind
you, this first set will be, you know, by the Governor and with
advice and consent of the Senate. In addition, for any -- going

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forward, the arbitrators will have to be attorneys and subject to the Attorney Registration and Disciplinary Commission and -- and code of ethics that apply to -- to being -- attorneys.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Garrett.

#### SENATOR GARRETT:

Yes, and quickly, to the bill. So, I agree with Senator Holmes, especially that this is definitely a step in the right direction. I'm also going to support it. I am concerned about the fact that the Illinois Hospital Association and the State Med Society are not on board. I think we could have reached out more and gotten them to be more supportive. But having said that, this is an excellent piece of legislation. And I do want to ask that we pay particular attention to the appointment of arbitrators and how that process works, because I do think, in the long run, that will be a critical component. And, again, thank you for your work.

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Senator Jacobs, for what purpose do you rise?

SENATOR JACOBS:

To the bill, sir.

PRESIDING OFFICER: (SENATOR HARMON)

...the bill, Senator.

#### SENATOR JACOBS:

I want to -- I, too, want to thank Senator -- Senator McCarter for keeping the pressure on and keeping this bill alive, because if he wouldn't have done it, I don't think it'd have happened. So I want to thank him for that. I also want to

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tip my hat to Senator Kwame Raoul. I've been around here probably longer than I should be, and I got to tell you, your achievements are remarkable, Senator. You know, you not only passed the redistricting bill, which was very difficult, but you passed the -- the death penalty ban and now you're passing workers' comp, and -- and you truly are the Senate's "it" quy. You know, it proves to me that if we work together on the same team, we can actually get something done in Illinois. And, you know, it seems that we do have to help the doctors. I think the doctors are taking it a little bit here. And I want to work with my friends on the Republican side of the aisle to fix that a little bit and I -- and ask for you to do the same, Senator. And in closing, I would just say that I'd like people to remember something. You know, we are in our fifteenth straight month of lower unemployment in Illinois, and I know business is fleeing out of the State. But, you know, with 8.7 percent unemployment, it's not perfect, but I think if we quit saying how bad it is, maybe it won't be so bad. And in closing, I want to tell you, Senator, it may not be soup, but for poor people, sometimes all you got -- you have to eat is the broth, not even the soup. So this is what we got; we've got to eat it. I look forward to working with the "it" guy in the future.

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Senator LaHood, for what purpose do you seek recognition?

SENATOR LaHOOD:

To the bill, your honor. ...President.

PRESIDING OFFICER: (SENATOR HARMON)

Please approach the bench. To the bill, Senator.

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#### SENATOR LaHOOD:

Mr. President, I rise today opposing this legislation and I have -- I have -- I have read this bill and looked at the different provisions here today, and I guess I look at this legislation from the perspective of "How is this going to change our business climate in Illinois?" And the reality is, in my review of it, is that it's -- it's not going change our business climate in Illinois. And when a company from another state looks at coming to Illinois, here's what they look at, in -- in terms of what our State -- and where we're at right now: passed the largest tax increase in our history in January; we've lost population over the last ten years; tort reform was found unconstitutional; Caterpillar wrote a letter, thinking about leaving the State; we have a fifteen-billion-dollar debt; and we have two former Governors that are convicted felons. And when we talk about attracting business to Illinois and you look at the reality of those facts, we have to do something different. We have to have bold initiatives that create a better business environment for our State. And I think we had a real opportunity with the workers' compensation reform to do that. And when we look at other states that we compete with here in Illinois, whether it's Indiana or Missouri or Iowa, you look at the businesses that are going to those states, and one of the number one reasons is workers' compensation. And you only have to look at companies like Caterpillar, which is in my district, or John Deere or -- or ADM and they are not supporting this legislation. And those companies that produce jobs in the private sector, they have many other opportunities to go to other states. Caterpillar, for instance, deciding where they're

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going to build an excavator plant, just went to South Carolina; engine plant, they just decided to build in Texas. And that's a direct result of our workers' compensation system here in Illinois. When the Chairman of Caterpillar wrote the letter to Governor Quinn on March 21st, he said in there, the direction that this State is headed is not favorable to business and he'd like to work to change that. And -- and, frankly, this is not the change that they anticipated that would put them on a level playing field with the other states. In talking to the folks at Caterpillar, this would not change anything in -- in terms of them deciding where they're going to build their next plant. And if you look at the letters that -- attached to that letter from these different states - South Dakota, Texas, Virginia, Nebraska, Indiana - all these states talk about their workers' compensation system and the benefits of going to those states. And, frankly, that's what we need to focus on, is how we're going to improve our business climate and get these companies to produce jobs and -- and continue to grow their businesses here in Illinois and not flee to other states. My local Chamber of Commerce in Peoria has over three hundred members. They met yesterday, reviewed this bill, and absolutely oppose They're not neutral; they're against it. And the newspaper in Peoria, the Peoria Journal Star, wrote this yesterday in their editorial: "Sometimes it seems that Illinois is just a hopeless place, one where we remain oblivious to problems the rest of the world finds obvious, where we subscribe to the fiction that they will fix themselves, where we're content to let the competition pass us by in the delusion that we're leading, not being lapped by the field." And when you -- when you look at our workers'

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compensation system and what this doesn't do, that's exactly what they're talking about. Just this last month, in a leading business magazine, they released a report that found Illinois to be the third-worst State in America in which to do business. Illinois was also named the five-year biggest loser, having -falling a staggering forty places in the rankings during the last five years. In 2006, Illinois was ranked eighth in the nation for best states to do business, and by 2011, it's ranked -- its rank has fallen to forty-eighth. While Illinois continues to struggle, neighboring Indiana is expanding and improving its business climate, partly to do with workers' compensation reform. And -- and in the examples I gave of Caterpillar, which is, if not the leading employer in the State with twenty-one thousand private sector jobs, or John Deere or ADM, if those companies were starting today, they most likely wouldn't be starting in Illinois. And part of that reason is this business climate and not having real workers' compensation reform. And I quess the best analogy to use is, if -- if your house has a hole in it, you don't repair it twenty-five percent. You have to take bold action, and that's what I think we need in this workers' compensation reform and we don't have it here. And I'm opposing the bill. Thank you.

### PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Senator Koehler, for what purpose do you seek recognition?

#### SENATOR KOEHLER:

Thank you, Mr. President, Members of the Senate. You know, I -- I'm sorry this is not a perfect world and I'm sorry this isn't a perfect bill, but, you know, having Caterpillar world

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headquarters in my district, I understand how important the issue of workers' compensation reform is for the State of Illinois. And, you know, not -- not to disagree with my -- my colleague from Peoria, but -- but there is another perspective that we have to have on this. And I don't disagree with -- with any of the comments that anybody has made so far on this, because, yes, we need to continue to work on this and improve. But here's the issue, and I want to simplify it because that's, I quess, how I deal with big decisions like this. And I posed this to the Chamber when they called me yesterday and said, "Please oppose this bill." And I said, "So, what you're telling me is that what is in the bill in front of us to vote today is not as good as status quo?" I mean, you want status quo, rather than for us to vote on a bill, which - I just talked to Director McRaith - estimates six hundred and fifty million dollars of savings. That means premium payments would go down twelve to eighteen percent. I can't not vote for this and do that to small business and do that to Caterpillar. This is an important bill, and that's the only question before us: Is this better or worse than what the status quo is? I say it's better and it's time to get a Aye vote on this.

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator Koehler. Senator McCann, for what purpose do you rise?

SENATOR McCANN:

To the bill, Mr. President.

PRESIDING OFFICER: (SENATOR HARMON)

To the bill, Senator.

SENATOR McCANN:

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Thank you, Mr. President. I hear all this talk about workmen's compensation reform and I hear everyone refer to them and they and business and I -- I am by no means a large business person, but I do run a small business. It's one of the reasons I decided to throw my hat in the ring and try to come here and to be here. And so when I hear everyone talk about how this affects the businessman, I can tell you how it affects us. Every month I do a self-audit in my construction company for my workmen's compensation. And I self-audit in a half a dozen states. Now most of that payroll is zero in those other states for the last couple of years. But that gives me the opportunity see something very intriguing, an opportunity to workmen's compensation rates for the same codes, for the same jobs being done all over the country. The same work costs my colleagues in another state anywhere from fifty to four hundred percent less. So Senator LaHood aptly said, if the -- if the times -- the hands of time were to be reversed, many of our great employers would not choose to start their companies in Illinois today. I think we have to ask ourselves, what is the definition of workmen's compensation reform? We can choose all sorts of definitions, but the true definition is reduction. If there is no premium reduction to the payer, to the employer, there is no workmen's compensation reform, regardless of what the overall cost reductions are to the I've spoken to many of the business groups. spoken directly to an underwriter in the workmen's compensation field, and they all, unequivocally, speak of somewhere between four to six hundred and fifty million dollars in savings, which equates to somewhere around a fifteen to twenty percent savings.

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And when I look each and every one of them in the eye and say, "So that means a fifteen to twenty percent reduction in premiums?" Their answer is, "No". So my next question is, "How much is the reduction in premiums?" And their answer is, "We don't know." And so I ask, "Five percent?" "Maybe." "Ten percent?" "Could be." "Twenty percent?" "That's the max." No offense to anyone in this Chamber - I respect each and every one of you; you've all worked hard to be here - but I know many of the folks that identify themselves as small business people, when you pay your workmen's compensation, a lot of you are paying for -- for clerical or sales employees - and -- and again, no disrespect, God bless you and your employees - but for folks like me, I -- I get to see what clerical costs. It's about .25 to .5 percent. So for a ten-dollar-an-hour employee, that -- that's a quarter an hour for workmen's comp. But for my carpenters and roofers, my guys hanging steel, I'm paying anywhere from twenty-five to forty dollars an hour, and I'm a -we have a good record at my company. If you are a business, who has sustained what is referred to as a "shock loss" in the workmen's compensation field, you may be paying fifty, sixty, seventy percent. Combine that with the matching taxes. Combine that with the employer's one hundred percent unemployment insurance premium contribution. Combine that with paid days off in the form of vacation and holidays. Combine that with other fringe benefits. And in my line of work, in the construction, industrial, manufacturing fields, many times the hourly rate or the salary doesn't even equal fifty percent of the overall payroll burden. Ladies and Gentlemen of the Senate, we here in Illinois, and this august Body especially, have a bad reputation

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for kicking the can down the road, whether it is -- whether it is pensions, or the budget overall, or -- or a lot of other subject matters. We have the opportunity -- the Governor has committed to substantive workmen's compensation reform. Leaders of both Chambers have committed. We have opportunity to stay at the table and to pass real workmen's compensation reform so that we, all of us, can go back and face our constituents, the people that are trusting us to lead. When I go back and look my constituents in the eye -- and when I talked to them for the last couple of months about this issue, they all say, "Sam, one of the reasons we sent you there is because we know you get it. We're busy trying to make payroll next week. We're busy trying to make our kids' ballgame. know you won't vote for something that's not real." Please, let's do not go back to our districts, look our constituents in the eye and tell them that we had it, we were this close, and because we are so practiced and so adept at kicking the can down the road, we -- we lost the opportunity. I'm afraid that if this moves forward, the General Assembly and the Governor and certain business groups will take a wonderful victory lap, but true workmen's compensation reform will be nothing more than a vanishing enigma in the rear-view mirror. Thank you.

### PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Senator Lightford, for what purpose do you rise?

#### SENATOR LIGHTFORD:

Thank you, Mr. President, Ladies and Gentlemen of the Senate. I'll be brief, Mr. President. Will the sponsor yield?

PRESIDING OFFICER: (SENATOR HARMON)

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Sponsor indicates he'll yield. Senator Lightford. SENATOR LIGHTFORD:

Senator Raoul, I recognize that this initiative has quite a few key initiatives that will improve the business climate, will attract more businesses, will save the employers an excessive amount of money yearly. I still have a concern as it relates to safety net hospitals, hospitals and not-for-profits that are pretty much in low-income communities. Just for the record, can you clarify whether or not this will devastate their overall performance in those hospitals?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

### SENATOR RAOUL:

It -- it's not my opinion that it will devastate - you know, you and I have had this discussion - the safety net hospitals. I think they -- I don't think it'll devastate any hospital. I think it will hurt -- it -- it will impact the fee recovery at the larger hospitals, more so than the safety net hospital. There are other things that we're discussing in the context of -- of negotiating a budget that will -- will -- will impact some of those hospitals that you and I discussed.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Lightford.

### SENATOR LIGHTFORD:

And, Senator, did you also acknowledge that there was a provision that held Medicaid hold harmless?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

SENATOR RAOUL:

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That -- that's part of the negotiations in the context of the -- of the budget. That's not language within this bill.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Lightford.

#### SENATOR LIGHTFORD:

I'm sorry, can you say that again for me, Senator?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Raoul.

#### SENATOR RAOUL:

The negotiations with regards to cuts to Medicaid are part of the budget negotiations, not part of this workers' comp bill. PRESIDING OFFICER: (SENATOR HARMON)

Senator Lightford.

### SENATOR LIGHTFORD:

Thank you, Mr. President. Then to the bill: I -- I rise in support of this legislation, because I think it's really important that we embrace our business climate and let them know we, too, on this side of the aisle care about business; because if there is no business, then our people aren't working. I want to also further acknowledge that when we consider employment opportunities, that the conversation of treating people fairly, making sure their wages and their benefits are fair, should also be included in further conversations. No one can live on minimum wage. It's entirely too low, while companies flourish. And I think it's important that we not leave the little man out of those discussions. And, again, I'd like to make sure that when we talk about Medicaid moving forward, that we acknowledge that our safety net hospitals, our hospitals in low-performing communities or low-income communities, rely heavily of Medicaid

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dollars. Thank you.

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator. Senator Link, for what purpose do you rise?

### SENATOR LINK:

Thank you, Mr. President. To the bill: First of all, I want to thank President Cullerton -- Cullerton and Leader Radogno for putting this in the forefront in this legislative Session. I want to thank Senator Raoul and Representative Bradley for their work in this bill. I had the privilege - I think it was a privilege - of doing the first rewrite five years ago -- or, six years ago, in 2005, and working on it for two years. It was thirty years earlier, before we did something on that, and we let workers' comp fester into the problems that we had when we tackled it six years ago and tried to do something to change it. It passed out of this Body unanimously, because we saw that there was a huge problem in this State and we needed to do something. But one of the things we left - and we had everybody involved in it at that time - is when we left that, we said that we would come back and we would review workers' comp, because we knew that there were things that had to be done constantly. And we're doing it again this year. I have to say I have no conflict. I'm not a lawyer that practices. I'm not a lawyer, period, but I don't practice workers' comp. But I did work for a Fortune 500 company and I was a small business owner. Matter of fact, I owned a forklift company. And I -- I know a little bit about the business world and I know a little bit about paying workers' comp. And it was a problem that we faced in this State and we had to do something about it, and we did

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something about it. But today we see other problems that were faced and I commend the sponsor of this bill for taking it on, and the business communities needed the relief that they are getting today. But we also got to remember the workers in this bill, which was remembered. So we did not affect the workers, as everybody would like to, I think, in a lot of times in these bills, but we took everything into consideration. And we made a positive bill that will save businesses five to six hundred million dollars annually, which I think is extremely important in what we do. If I was still in the business world, I'd be extremely happy today with what the General Assembly is doing. And I think that this bill -- we've heard a lot negative comments on here, but I think Senator Koehler said it the best we're going to be a lot better off with what we're doing today, than what is in existence today. So I think that this should be coming out of here fifty-nine to nothing. Thank you.

### PRESIDING OFFICER: (SENATOR HARMON)

Thank you -- thank you, Senator Link. Our final speaker is Leader Radogno.

### SENATOR RADOGNO:

...you -- thank you, Mr. President. First off, I want to add my accolades to those that have already spoken about all the people that participated in this process and worked so hard on it. I know I certainly learned more than I ever wanted to know about workers' comp and I know I don't know very much about it. But I have learned why it is so difficult to fix a system that is so obviously broken - because it's very, very complicated and there's many people involved. Now I'm going to support this bill. I really do believe it's going to achieve our main

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objectives of lowering the cost of workers' comp here in Illinois and protecting our injured workers. It's been a long process to get where we are today. I think many people have pointed out this is not a perfect bill, but we need to be careful to compare it to where we are at -- at today, not to some other proposal that is, in fact, not the reality. step forward. It will address a system that's been known for scandalous abuses, quite frankly. It's been driving employers and jobs out of our State, and it's costing taxpayers a lot of money, because, remember, government is a large employer. this will help the financial position of our State, the City of County of Cook, and Chicago, the all of your municipalities. There are some good things in this bill. the very first time ever, there has been the -- the introduction of objective standards into the bill. Thirty-six other states have these; Illinois never has. And there was a lot of resistance to that even being mentioned in the bill. So that is definitely a positive. It allows for the creation of provider networks. That's the way that all of health care is going. Workers' comp was an outlier in a strict fee-for-service environment. That's not where we're at anymore and this bill introduces that concept into the workers' comp system. It does address some of the most egregious areas of abuses, and that's a positive. For example, people not being able to collect if they were high or drunk. This bill is supported heartily by some employers, by many employers. There are many, though, who are skeptical, to say the least. The changes that Senator Link referenced earlier on did not turn out the way that they had hoped. So, I'm cautiously optimistic that these changes will,

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in fact, produce the results we desire. But I'm grateful to hear so many people on both sides of the aisle say we have to continue to monitor this. We have to be willing to come back if the changes that -- that are -- current costs are not what we had hoped they'd be, we have to come back to the table and do some more work. But this is a good bill. It's a good first step and it's a first step that I think we should all try to take together. I would urge a Yes vote. Thank you.

PRESIDING OFFICER: (SENATOR HARMON)

Thank you, Senator Radogno. Senator Raoul, to close. SENATOR RAOUL:

Thank you, Mr. President. I, again, want to thank the Minority Leader, who I spent a lot of time with, coming up with a lot of the provisions that were in this bill, that -- a lot of the provisions that were in Senator McCarter's bill came about not as much as a result of Senator McCarter, but as a result of Minority Leader Radogno. She was in the negotiations that brought about a lot of those provisions. I do want to thank Senator McCarter for setting the medical fee schedule rate cut, thirty percent, that many of you all voted for, as a point of departure for the medical fee schedule negotiations. It does bring about the most significant savings. It brought about the most significant savings in the bill that Senator McCarter introduced. And so I do applaud his leadership on -- on -- on that level. For those of you all -- I've -- I've told -- I've taught myself to breathe in through the nose and out to the mouth and -- and Senator Millner has coached me along that way, but for those of you all who try to minimize this by saying this is just a step in the right direction, that is absolute

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nonsense. It's absolute nonsense, and you know it. This is a major reform in the State of Illinois. It's a reform that was brought about with the major businesses at the table, including Caterpillar - including Caterpillar. And for those who -- my good friend referred to vague language in the bill - guess what? Caterpillar was at the table with regards to that vague language you talk about. And they approved that language. So if it's vague, if it's too vague for Caterpillar, according to your talking points, your prepared speech, they didn't say it at the They said it was good. It was good language. approved it. A lot of people are talking from their prepared I'm talking from having had experience at the statements. Industrial Commission, not representing injured employees, but representing employers. I'm one of the few people in this General Assembly who could talk with that type of experience. My good friend, the Chairman of DuPage County, was another, and he and I sat on panels over the last few years, talking about the need for reform at the Illinois Self-Insured {sic} (Self-Insurers) Association. So I don't come to this just as a legislator giving talking points, I come to you as a lawyer who has in the past represented employers at the Illinois Industrial Commission. So I'm not just talking off of talking points. talking about real reform here. A lot of mention has been made of soup. Well, soup would be passing a bill for Caterpillar, for one employer. I've never been a big fan of soup; I like a lot more in my -- in my meal. I like qumbo. And qumbo would be passing a bill for the many major employers in the State of Illinois, employers represented by the Joliet Chamber of Commerce, who's -- who -- who's supportive of this bill, by the

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Chicago Chamber of Commerce, who's supportive of this bill. Anybody heard of United Airlines? That's one of our major employers in the State. They're supportive of this bill. American Airlines, PepsiCo, the Illinois Restaurant Association, the Hotel and Lodging Association, the Illinois Retail Merchants Association, the Illinois Manufacturers' Association, Illinois Municipal League, the County of Cook, the City of Chicago, Metro Counties, Ford Motor Company. Anybody heard of Hyatt, Navistar, Marriott, Will County, Illinois Auto Dealers Association, Illinois Food Retailers Association. I can go on and on and on. That's a list that makes up most of these employers in the State. There are a lot of other chambers of commerce. I'm sorry the Peoria Chamber of Commerce can't be supportive of this major reform, but this is major reform and it's nonsense to refer to it as anything but. With regards to the insurance rates, I would -- I would love to have authority to just set the insurance rates, but we can't do that. But what we do is we put reporting requirements, detailed reporting requirements, in here that -- that will necessarily lead to reduced insurance rates. Ladies and Gentlemen, this is more than a step in the right -- right direction. This is major reform, and you all cannot deny that. And I refuse, I refuse, to accept the characterization of this as just a step in the right direction. That's -- that's political speak. This is major reform. I want to thank Greg Baise and David Vite, in John Carpenter from the particular, and Chicago (Chicagoland) Chamber of Commerce, because they were at the table. I -- I, at -- I, at one point, locked the door. I said, "Nobody's leaving this room. We're going to -- we're going to

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put forth a bill with real reform." And that's what we have done. And we had the -- labor and we had the Trial Lawyers, who represent legitimately injured employees. And as we seek reform, we have to keep in mind why a workers' compensation system was put together in the first place, because we did not want people to just go to the court system. If you want that, the House has passed out a bill, Senate Bill 1933. If you want that strong causation standard that was in the -- in the other bill, guess what you're pointing towards? You're pointing towards Senate Bill 1933 that will shift it to the court system. Missouri has that causation standard. And guess what, Missouri Supreme Court says, somebody denied relief by the -- by their Workers' Compensation Commission can go to their court system. Well, that's Senate Bill 1933. If you want me to pull this out of the record and call Senate Bill 1933, that's what That'll increase -- that'll increase -- that'll I'll do. increase the cost, if that's what you want. But -- but I refuse, I refuse to accept this as a characterization of something that's not real reform, because that's just -- that's just a lie.

### PRESIDING OFFICER: (SENATOR HARMON)

The question is, shall House Bill 1698 pass. All those in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 46 voting Aye, 8 voting No, 2 voting Present. And House Bill 1698, having received the required constitutional majority, is declared passed. Senator Crotty, for what purpose do you rise? SENATOR CROTTY:

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Yes, I would like to take the time to recognize - Mike, before you leave the Chamber - I would like to recognize Director Mike McRaith, for his commitment, his dedication. I've worked on many pieces of legislation with Mike and what has been always refreshing is to see either the director, the head of an agency, be in committee to not only talk against some of our legislation, but also be there to support us as we move through our legislation and -- with the insurance industry. I wish him well. I know Monday is his last day here in Springfield. But I certainly wish you well as you go on to serve with our colleague, President Barack Obama, in the same vein as you did here in Springfield. Thank you. You make us proud. Thanks.

PRESIDING OFFICER: (SENATOR HARMON)

Director McRaith, all of us in the Senate wish you good luck and Godspeed in your new job. Ladies and Gentlemen of the Senate, we will -- the Committee on Assignments is going to meet in a moment. We are going to turn back to the Supplemental Calendar, quickly. On the Order House Bills 2nd Reading is House Bill 1084 {sic}. President Cullerton, do you wish to proceed? Madam Secretary, please read the bill.

SECRETARY ROCK:

House Bill 2972.

(Secretary reads title of bill)

2nd Reading of the bill. No committee or Floor amendments reported.

PRESIDING OFFICER: (SENATOR HARMON)

I'm sorry, Madam Secretary. I called the wrong bill number; you called the correct bill number. It's House Bill 2972.

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### SECRETARY ROCK:

House Bill 2972.

(Secretary reads title of bill)

2nd Reading of the bill. No committee or Floor amendments reported.

PRESIDING OFFICER: (SENATOR HARMON)

3rd Reading. Madam Secretary, Messages from the House. SECRETARY ROCK:

A Message from the House by Mr. Mahoney, Clerk.

Mr. President - I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to wit:

Senate Bill 1799.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to wit:

House Amendment 2 {sic} (2 and 3).

We have received like Messages on Senate Bill 1943, with House Amendments 2, 3 and 4; and Senate Bill 2288, with House Amendment 1. They all passed the House, as amended, May 28th, 2011. Mark Mahoney, Clerk of the House.

### PRESIDING OFFICER: (SENATOR HARMON)

Ladies and Gentlemen, the Senate will stand at ease for a few moments to allow the Committee on Assignments to meet. The members of the Committee on Assignments will please report to the President's Anteroom immediately. The Senate will stand at ease. (at ease) Madam Secretary, Committee Reports.

#### SECRETARY ROCK:

Senator Clayborne, Chairman of the Committee on

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Assignments, reports the following Legislative Measures have been assigned: Refer to the Criminal Law Committee - Motion to Concur with House Amendment 2 to Senate Bill 1631; refer to the Insurance Committee - Motion to Concur with House Amendment 2 to Senate Bill 1544 and Motion to Concur with House Amendment 2 to Senate Bill 1555; refer to the Licensed Activities Committee - Motion to Concur with House Amendment 1 and 2 to Senate Bill 1306; refer to the Revenue Committee - Motion to Concur with House Amendment 7 to Senate Bill 395.

Signed by Senator James F. Clayborne, Chairman.

PRESIDING OFFICER: (SENATOR HARMON)

Ladies and Gentlemen of the Senate, I have committee announcements for tomorrow afternoon. The Appropriations II Committee will meet in Room 212 at 3 p.m. tomorrow. The Transportation Committee will meet in Room 400 at 3:15 p.m. The Criminal Law Committee will meet in Room 212 at 3:30 p.m. The Executive Committee will meet in Room 212 at 3:45 p.m. and the Energy Committee will meet in Room 212 at 4:45 p.m. After committees adjourn, we will come into Session at 5 p.m. tomorrow. Senator Koehler, are you seeking recognition?

Yes. Thank you, Mr. President, Members of the Senate. I move to waive all posting requirements so that House Bill 815 can be heard in the Senate Committee on Energy tomorrow at 4:45 p.m.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Koehler moves to waive all posting requirements...

Senator Koehler moves to waive all posting requirements, so that

House Bill 815 can be heard in the Senate Committee on Energy

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tomorrow at 4:45 p.m. Is there discussion? Senator Righter, for what purpose do you rise?

#### SENATOR RIGHTER:

Question of the sponsor on his motion, if I might, Mr. President.

PRESIDING OFFICER: (SENATOR HARMON)

The sponsor indicates he'll yield. Senator Righter.

#### SENATOR RIGHTER:

Thank you, Mr. President. Senator Koehler, what's the subject matter of the issue that you're hoping to waive the posting notice on?

PRESIDING OFFICER: (SENATOR HARMON)

Senator Koehler.

### SENATOR KOEHLER:

Yes, thank you for your question. The subject matter -it's -- it's an agreed bill between Exelon and IEMA on fees for
the nuclear power plants that we have, so that they can
modernize and bring up to -- to date some of the procedures that
IEMA has.

PRESIDING OFFICER: (SENATOR HARMON)

Senator Righter.

#### SENATOR RIGHTER:

I -- I don't know much about this bill, Senator Koehler, and I appreciate there may be an -- an agreement between Exelon and -- and a State agency. I'm not sure that -- that warrants from our side of the aisle a waiving of the -- of -- of the notice requirements in our rules. As such, Mr. President, I would ask for a roll call on the motion.

PRESIDING OFFICER: (SENATOR HARMON)

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Senator Righter has requested a roll call. The question is... Senator Koehler, for what purpose do you rise?

SENATOR KOEHLER:

Well, I guess, in that case, I'll withdraw the motion. PRESIDING OFFICER: (SENATOR HARMON)

Senator Koehler seeks to withdraw his motion. Is there any objection? If not, leave is granted. The motion is withdrawn. I'd like to clarify the announcement on the Appropriations II Committee. The committee will be meeting at 3 p.m. in Room 212 for the purpose of adjourning. There being no further business to come before the Senate, the Senate stands adjourned until the -- till the hour of 5 p.m. on the 29th day of May, 2011. The Senate stands adjourned.