

Speaker Redmond: "Due to the sparse attendances I think we will stand at ease for 10 or 15 minutes. But the record, should show that the Speaker was on the podium at 11 O'clock. Representative Ryan, Totten, Kucharski... Representative Shea...The Clerk was asking about the time we come back on the 27th, did you get that? The House will come to order. The prayer will be by Father Krueger, the Chaplain of the House.

Father Krueger: "Let us pray, in the name of the Father, the Son, and the Holy Ghost, Amen. Oh Lord bless us to thy service this day. As I was taking leave yesterday, someone asked me if I knew the road of life, so we shall use it now. I expect to pass through this world but once, any good thing therefore that I can do, or any kindness... I can show to any human being, let me do it now. Let me not defer it or neglect, for I shall not pass this way again. Dear God, we implore thee to give unto these learned Legislators here assembled, the vision to see thy will in all things that are presented for their consideration and action. Give them courage to sublimate personal advantage... to that which is the daily good for all mankind. And my the love and joy that's in Valentine radiate to and from your heart, this day. Amen:

Speaker Redmond: "The Clerk will take the roll call: . Introductions of First Reading."

O'Brien: "House Bill 356, Sangmeister. A Bill for an Act to amend Sections of the Illinois Public Library, District Act, First Reading of the Bill. House Bill 357, Maragos, Hudson et al. A Bill for an Act to amend Sections of an Act concerning Public Utilities, First Reading of the Bill. House Bill 358, Hirschfeld. A Bill for an Act to amend Section of the Illinois Pension Code, First Reading of the Bill. House Bill 359. Hirschfeld. A Bill for an Act to amend Sections of the Illinois Public Aide Code. First Reading of the Bill. House Bill 360. Hirschfeld. A Bill for an Act to amend Sections of the Illinois Vehicle Code, First Reading of the Bill. House Bill 361. Hirschfeld. A Bill for an Act to amend Sections of the Collection Agency Agency Act. First Reading of the Bill. House Bill 362. Hirschfeld. A Bill to amend Sections of the Election Code. First Reading of the Bill. House Bill 363. Hirschfeld, Macdonald, Palmer. A Bill to for an Act to provide for the maintenace and restoration of the

natural integrity of certain rivers and wet lands, First Reading of the Bill. House Bill 364. Londrigan. A Bill for an Act to amend Sections of an Act to tax gifts, inheritance. First Reading of the Bill. House Bill 365. Hirschfeld. A Bill for an Act to establish uniform system, for Jury selection. First Reading of the Bill. House Bill 366. Hirschfeld. A Bill for an Act in relation to regulation of Athletic Trainers. First Reading of the Bill. House Bill 367. Hirschfeld. A Bill for an Act to Amend Sections of an Act relating to Alcoholic Liquors. First Reading of the Bill. House Bill 368. Hirschfeld. A Bill for an Act to amend Sections of the School Code. First Reading of the Bill. House Bill 369. Hirschfeld. A Bill for an Act to amend Sections of the Illinois Pension Code. First Reading of the Bill. House Bill 370. Hirschfeld. A Bill for an Act to amend Sections of the School Code. First Reading of the Bill. House Bill 371. Hirschfeld. A Bill for an Act to vacate an easement for highway purposes in Champaign County. First Reading of the Bill. House Bill 372. Hirschfeld. A Bill for an Act to repeal Sections of an Act in relation to County Zoning. First Reading of the Bill. House Bill 373. Stearney. A Bill for an Act to amend Section of the code of Criminal procedure. First Reading of the Bill. House Bill 374. Stearney. A Bill for an Act to provide for mandatory, thirty day prison sentences for certain unlawful use of weapons. First Reading of the Bill. House Bill 375. Stearney. A Bill for an Act to amend Section of the code of Criminal procedure. First Reading of the Bill. House Bill 376. Stearney. A Bill for an Act to amend Section of the code of Criminal procedure. First Reading of the Bill. House Bill 377. Friedrich et al. A Bill for an Act to amend Section of the code of Criminal procedures. First Reading of the Bill. House Bill 378. Berman, et al. A Bill for an Act to amend Sections of the Election Code. First Reading of the Bill. House Bill 379. Hirschfeld. A Bill for an Act to amend Section of the code of Criminal procedures. First Reading of the Bill. House Bill 380. Hirschfeld. A Bill for an Act to amend Sections of the Illinois Vehicle Code. First Reading of the Bill. House Bill 381. Hirschfeld. A Bill for an Act to amend Sections of an Act relating to curfew, for certain children. First Reading of the Bill. House Bill 382. Hirschfeld. A Bill for an Act concerning

inadmissible as evidence in prosecutions relating to rape. First Reading of the Bill. House Bill 383. Hirschfeld. A Bill for an Act to amend Sections of the Illinois Vehicle Code. First Reading of the Bill. House Bill 384. Hirschfeld. A Bill for an Act to amend Sections of an Act relating Alcoholic Liquors. First Reading of the Bill. House Bill 385. Hirschfeld. A Bill for an Act to amend Sections of an Act in relation to the Compensation of the Members of the General Assembly. First Reading of the Bill. House Bill 386. Mugalian. A Bill for an Act to amend Sections of the Election Code. First Reading of the Bill. House Bill 387. McCourt, et al. A Bill for an Act to amend Sections of the School Code. First Reading of the Bill. House Bill 388. Matijevich, et al. A Bill to amend Sections of the Revenue Act. First Reading of the Bill. House Bill 389. Matijevich, et al. A Bill to an Act to amend Sections of the School Code. First Reading of the Bill. House Bill 390. Bradley. A Bill for an Act to amend sections of the Public College Community Act. First Reading of the Bill. House Bill 391. McCourt. A Bill for an Act to amend Sections of the Illinois Vehicle Code. First Reading of the Bill."

Speaker Redmond: On the attendance roll call, 143 answering the call, 139, present, 34 absent. Are there any excuses... The quorum being present... Representative Shea."

Shea: "Representative Garmisa, and Representative Leland Rayson are absent because of illness in their family.

Speaker Redmond: "No objections, excused absence will be noted in the Journal. Representative Hirschfeld."

Hirschfeld: "Ah... Mr. Speaker, and Ladies and Gentlemen of the House, I wonder if I might have the House's attention just a moment please... for a purpose of an announcement... I wonder if I might have the attention of the House for just a moment for the purpose of an announcement... Thank you, Mr. Speaker, and Ladies and Gentlemen of the House. Those of us that have served down here for the past few terms and those who have served many more, know that Representative Claybaugh retired from this House this past year, after thirty-four years of service. This Sunday night in Champaign, we will be honoring Representative Claybaugh and his wife, Lou, at a dinner, at the Ramada

that's Sunday at 5:30 P. M. And, I know that a lot of Members have requested tickets, and I brought them over with me this morning, if anybody wants to go, that's both Democrats and Republicans. The price is \$10.00 a piece, and I think it is ah... a small enough expression of our appreciation of what Charley did, that we have a good turn out at the dinner, this Sunday night. Thank you, Mr. Speaker."

Speaker Redmond: "I would like to call the Members attention to the fact that today I have a new gavel, and it's William A. Redmond, Speaker of the House, presented by the Du Page County, Building Trades, and the gentlemen who presented it to me this morning are up in the gallery, ah... Mr. Joe Allen, the President of the Du Page County Building Council, Joe Harold, Business Manager Local 701. Will you Gentlemen stand up as I call your names? Joe Griffith, Business Manager, Local 288, George Cindalla, President, Labors Local 288, Casey Meuswell, Secretary-Treasurer of Labors International 288, Emmit MacNanary, the Chairman of New York Township Democratic Organization, and Stanley Bauch, Chairman of the Bloomingdale Township. At this time I would also like to introduce the President of the Illinois Association of Park Districts, Mr. Webster Welly, from Kewanee, Illinois, who is in the rear gallery. We will be at ease for about 5 minutes, until the Committee Assignments have been zeroxed, and can be distributed to the Members.

Speaker Redmond: "Introduction of Bills."

O'Brien: "House Bill 392. Schraeder. A Bill for an Act to amend Sections of an Act in relation to contents, and exhibition of various classes of Pure-Breed Registered Livestock. First Reading of the Bill. House Bill 393. Cunningham. A Bill for an Act to amend Sections of an Act to Re-District the State of Illinois into Legislative Districts. First Reading of the Bill. House Bill 394. Young. A Bill for an Act relating to Open Public Meetings, and Repeal of Acts named there in. First Reading of the Bill. House Bill 394. Cunningham. A Bill for an Act to amend Sections of the Revenue Act. First Reading of the Bill. House Bill 3965. Young. A Bill for an Act to create the Illinois Depressed Area Land Use, and Community Development Authority. First Reading of the Bill. House Bill 397. Getty, et al. A Bill for an Act to amend Sections of the Probate Act. First Reading of the Bill. House Bill 398. Getty, et al. A Bill for an Act to amend Sections of pro-

bate Act. First Reading of the Bill. House Bill 399. Neff. A Bill for an Act in relation of disposition by Railroad Companies of abandon or unused Railroad right-a-way. First Reading of the Bill. House Bill 400. Neff. A Bill for an Act, making approations of Department of Conservation, in relation to a Statewide Trail System. First Reading of the Bill. House Bill 401. Neff. A Bill for an Act to Amend Sections of an Act of the Civil Administrative Code. First Reading of the Bill. House Bill 402. Neff. A Bill for an Act to amend Sections of the Illinois Highway Code. First Reading of the Bill. House Bill 403. Neff. A Bill for an Act to reduce the age of Minority from under 21, to under 18, within the Illinois Uniforms gifts, to Minors Act. First Reading of the Bill. House 404. Grotberg, et al. A Bill for an Act to amend Sections of an Act to revise the law in relation to Township Organization. First Reading of the Bill. House Bill 405. Bluthardt, et al. A Bill for an Act to provide compensation for certain Judges of Elections. First Reading of the Bill."

Speaker Redmond: "The order of motions, on the Speakers table, there is Senate Bill 34. Does Representative Brandt desire recognition in connection with Senate Bill 34?"

Brandt: "Mr. Speaker, Ladies and Gentlemen. Senate Bill 34, I would like to have that advance to Second Reading, without Committee consideration. It needs a hundred and seven votes, it's for the rehabilitation of the ah... the Capitol Building, the various different offices, and also of the... for the ah... Senate, as well as the Committee Rooms, in the Capitol Building. I would like to advance Senate Bill 34, to Second Reading."

Speaker Redmond: "Any discussion? Gentleman has moved that Senate Bill 34, be advanced to order of Second Reading, without reference, any discussion on it? The question is shall Sentate Bill 34, be advanced without reference to Committee. All in favor signify by saying "aye". Roll Call on this, vote "aye". It requires a hundred and seven votes, this is to pay for renovation of the quarters... part of it and the offices. All voted, that wished, take the record. On this question the "aye" was a hundred and eleven. "Nos", two. Having received the required majority, declared passed.. Representative Kane."

Kane: "Aye".

Speaker Redmond: "Show Representative Kane voting "aye". Representative Taylor, voting "aye". Representative Richmond, voting "aye". representative Taylor Pouncey, voting "aye". Resolutions:"

O'Brien: "House Joint Resolution Number 9, Shea. Resolved by the House of Representatives of the 79th General Assembly the State of Illinois, the Senate concurring here in, that when the House of Representatives adjourns of Friday, February 14, 1975, it stands adjourned until Wednesday February 19, 1975, at 3 o'clock P. M. And when the House of Representatives adjourns on Wednesday February 1975, it stands adjourned until Thursday February 27, 1975, at 12 o'clock noon. And when the Senate adjourns on Friday February 14, 1975, it stands adjourned until Thursday February 27, 1975, at 12 o'clock noon."

Speaker Redmond: "Representative Shea."

Shea: "Mr. Speaker, Ladies and Gentlemen of the House. This is the adjournment Resolution, the meeting on Wednesday, February 19, will be a Perfunctory meeting for the introduction of Bills, and that will allow us to post Committee Meetings for hearings and Thursday 27, and Friday the 28th. The schedule calls for us to return to Springfield, at noon on February 27th, we will have the regular Thursday Committee meeting, Thursday afternoon, and on Friday we will have, in the morning, the Wedne... or the Tuesday Committee Meeting, and the Wednesday Committee Meeting on Friday afternoon. So Mr. Speaker, I would ask for the adoption of the adjournment resolution."

Speaker Redmond: "The question is on the adoption of the agreed resolution, of the adjournment resolution rather... All in favor in favor signify "aye". Opposed. Resolution is Adopted. Representative Shea."

Shea: "Mr. Speaker, Ladies and Gentlemen of the House, on your desk this morning is a tentative schedule, for the meeting of the House. February 27th and 28th, the week of March 4th we will be in, Tuesday, Wednesday, and Thursday, the next week, the 11th, 12th and 13th, the following week, the 18th 19th and 20th. The following week in we will be in Monday, Tuesday, and Wednesday, we will be able to get out of here early enough Wednesday for those of the Jewish faith to be home before sundown. We will return from the Easter vacation, on April the 7th at

about 4 o'clock in the afternoon, and we will be in on the 7th, 8th, 9th, and 10th that week."

Speaker Redmond: "Introductions of First Reading."

O'Brien: "House Bill 406. Deuster, Matijevich. A Bill for an Act to Amend Section of an Act to provide Regional Planning, for the creation organization of powers of Regional Planning Commission. First Reading of the Bill. House Bill 407. Katz. A Bill for an Act to make the day designated by Federal Law, Memorial Day, in the State of Illinois. First Reading of the Bill. House Bill 408. Katz. A Bill for an Act to Amend Sections of the School Code. First Reading of the Bill. House Bill 409. Mahar. A Bill for an Act to Amend Sections of the School Code. First Reading of the Bill. House Bill 410. Deuster. A Bill for an Act in relation to the State Rustic Roads Systems. first Reading of the Bill. House Bill 411. Boyle. A Bill for an Act to provide for reimbursement for reduced Transit Fares for Students, and the Elderly. First Reading of the Bill. Chief Sponsor on 411, should have been Schraeder. House Bill 412. Schraeder. A Bill for an Act in relation to Licensing and Registration of Motor Vehicle Physical Damage Appraiser. First Reading of the Bill. House Bill 413. Schraeder. A Bill for an Act to make an appropriation of the Department of Registration Education. First Reading of the Bill. House Bill 413. Cunningham. A Bill for an Act creating the Illinois Medical Schools, Admission Study Commission. First Reading of the Bill. House Bill 415. Cunningham. A Bill for an Act for making an appropriation Ordinary and Contentious Expense for the Illinois Medical School Submission Study Commission. First Reading of the Bill. House Bill 416. Fennessey. A Bill for an Act to Amend Sections of an Act relating to Alcoholic Liquors. First Reading of the Bill. House Bill 417. Craig. A Bill for an Act to allow local Libraries from Public Library Districts Contract, to supply Library Services. First Reading of the Bill. House Bill 418. Craig. A Bill for an Act to Amend Sections of the Illinois Library Systems Act. First Reading of the Bill. House Bill 419. Ron Hoffman, et al. A Bill for an Act to Amend Sections of the Personnel Code. First Reading of the Bill. House Bill 420. Mugalian, et al. A Bill for an Act to Amend Sections of an Act to conform certain charitable Trusts, and Requirements of the Federal Tax Reform Act. First Reading of the Bill."

Speaker Redmond: "The order of Resolutions, these will be read in full, at the Perfunctory Session on Wednesday. "

O'Brien: "House Joint Resolution Constitutional Amendment Number 3, Hirschfeld. House Joint Resolution Constitutional Amendment Number 4, Hirschfeld. House Joint Resolution Constitutional Amendment Number 5, Hirschfeld. House Joint Resolution Constitutional Amendment Number 6, Hirschfeld. House Joint Resolution Constitutional Amendment Number 7, Hirschfeld. House Joint Resolution Constitutional Amendment Number 8, Tuerk."

Speaker Redmond: "I surrender the Chair temporarily, and temporarily only to Representative DiPrima."

DiPrima: "Ah... Ladies and Gentlemen of the House, I have the State Commander of the Amvets, Kenny Mullin's, to say hello to you and make a few other remarks. State Commander, Kenny Mullin's."

Kenny Mullin: "Thank you, Gentlemen, thank you. Mr. Speaker, Distinguished Members of the House. I want to say that ah... it is an esteem pleasure to be here today, I want to thank you for the help you have been to the Veterans in Illinois, for the support you gave us, and I hope that you will continue to support us. Thank you."

O'Brien: "I would like to make an announcement on introduction of Bills, the rules require ten copies of Bills be submitted to the Clerk for introduction, and we're getting quite a number. that people are only turning in seven copies, which causes a hardship. All Members please check their Bills when they turn them in, and be sure that you turn in ten copies. Thank you."

Speaker Redmond: "The House will stand in recess... until after the Joint Session... The House stands in recess, until after the Joint Session."

Speaker Redmond: "Joint Sessions of the 79th General Assembly will come to order... Will the Members of the House and the esteem guest from the Senate, please be in their seats.... Mr. Clerk is there a quorum of the House presence. Mr. Pres... Mr. President is the quorum of the Senate present in the Chamber.

President Partee: Mr. Speaker, there is a quorum of the Senate present.

✓ Speaker Redmond: "There being a quorum of the House and a quorum of the Senate in attendance, the Joint Session is convened. The purpose of the Joint Session, is to permit the Administration to present... to the Joint Session, the Governor's Bond Program. Is Mr. Hovey... Mr. Hovey, do you desire to ah... take the stand. Mr. President."

Partee: "Members of the Joint Session.... may I have your attention for a moment. We structured this meeting today, so that you on both sides of the Rotunda, would have an opportunity to hear the presentation of the Governor's Bond Program and Package, in its entirety, recognizing that you will be dealing with segments of it, in individual Bills, it occurred to Speaker Redmond and I, that if you heard the entire program you would have a great deal more understanding about the individual component. It also saves time for us to have the Joint Session, because it eliminates the need for this to be done twice, hence this Joint Session. We hope that it will be fruitful and meaningful, and edifying to all of you in terms of ... what this entire matter is about. Thank you, Mr. Speaker."

✓ Hovey: "Mr. Speaker, Mr. President, Members of the Committees of a whole, I am told that this is an historic occasion, for the House and the Senate, to meet together like this. It is fitting that there be this meeting because we have an historic problem. The National Unemployment Rate, has now gone to 8.2%, there are over three hundred thousand, people... unemployed in the State of Illinois. People who are not unemployed are facing shorter work weeks, lower personal income from small business, and generally are scared of impending lay-offs, and what can happen to them and to the families they support. Something like a quarter of the families in the State of Illinois have been adversely affected, by shorter work weeks or directly by unemployment, or lower income. It is a fact that the real standard of living has gone down in the average family in Illinois in the past year. That describes the magnitude of the problem, it can be seen by the fact that unemployment rates have reached 8.5% indicated over 9% in East St. Louis, and over 6% in Chicago. These problems have tended to be created by a variety of circumstances most of which are National. None the less it's a fact that State Government must consider what it can do to solve unemployment problems. And in the context of what it should be doing anyhow, in the

performance of it's normal concern for school, for higher education faculties, for highways, and all the other activities of State Government. Accordingly we look at that question... and found that what the State could best do, was to reach into the array of things that the State would be doing anyhow, sooner or later, and pull forward some of those things for the purpose of doing them now. And that basically is the essence of the program which is before you. Specifically the program provides for the widening and re-surfacing of one thousand, three hundred miles of narrow and hazardous roads throughout the State, and for the replacement and repair of over a hundred bridges. These are projects that sooner or later, would be found in the so called State only programs, their projects for the Department of Transportation, is basically ready to go, with the design completed, and, in essence being ready to bid. In addition, in the anti pollution bond area, we are recommending an increase in the total that will be approved for anti pollution bond funds, this will accelerate the rate at which the State can clean up it's water for the health and safety of our citizens. We are proposing that the current school construction program be given a substantial increase in funding, for the purpose of building new schools, in the areas that need them, and for the purpose of replacing schools, both in Chicago and downstate, for as many of you know, there are large number of schools that were built before 1900, and which have, in addition to poor educational impact, substantial deficiency in meeting life safety codes, translated impacts on citizens; that means, among other things, that many of them are very serious fire hazards. We purpose accelerations of programs in the revenue bonded area too, working with the existing programs, the Illinois Housing Development Aurtitory, and the industrial of pollution Financing Authority, on the Industrial Development Authority involving expanded legislation that will increase the degree to which we can encourage economic development in Illinois. In Mental Health, in correctional Institutions, and in the Institutions of the Deperament of Children and Family Services. The Administration is proposing needed capital work, work which we would need to do sooner or later anyhow, of a type that can be put under contract quickly; work that will employ Illinois Citizens. In addition there is a program,

for repair and renovation at State University facilities and at private Universities. That program was again developed around the concept of projects that could be put under contract quickly, and reflexible difficult, needed work. As I think you know, the situations at Universities is that we have reached essentially static enrollment, and we are trying to focus now, as the University system should... and must, upon recognizing that the age of Capital expansion in higher education is over, and what we need to be about now is to be about the business of making our Institutions physically and structually sound enough, and that's the last of the long haul. Finally, there is a special energy saving program, and the collection of projects that are outlined in the Governor's message, involving bikeways, reconstruction of the Illinois State Fair, a continuation and improvement of the State Airway program, substantial twenty-five million, in Conservation projects including new Parks, the renovation of Amtrak Stations, and that basically is outline of the program. Now I'm sure you will all be interested in the financing mechanism that we are recommending for this program, and I might point out the same financing mechanism that you would be considering and using in future years if you were to defer these projects until then. Basically we are using the same financial arrangements for the financing of this program, as you have been using for the financing of existing programs already. The question is not whether or not, we will do this program or something like it; the question is, when you prefer to do this program or something like it. I have no doubt for example, that you would continue to appropriate funds for school construction, and that we would issue bonds to meet the cost of that construction. The question before you is whether, in light of the fact that our problem is not inflation, but unemployment, is, would you be willing to move forward that schedule, for the purpose of not only putting people to work, but getting the schools in place faster. As a result of that you should understand that the cost that will be paid in debit service or in bonds, for this program is to the expense that you would approve the same projects, sooner or later anyhow, essentially the same cost, obviously to the extent

that these are projects, that you, yourselves believe that you would not do...that is not the case,... but for those projects that would happen anyhow, the debit service implications would be the same except for one thing. The longer you delay, the higher the cost of the project, and thus the higher the cost of principal and interest that is required to make the payments. These are all bond funded items, and I think you should understand the theory behind bond financing, if we are going to build, as we are proposing to you, the replacement Hospital for the University of Illinois, we will create a large and quite expensive, physical facility. That facility will last for a long time, forty or fifty years, perhaps. The question in bond financing, is, is it appropriate for the Tax Payers of Illinois, in 1975, to pay all the cost of that building, or should the cost of the building be paid over time to relationship to the use of the Citizens of Illinois will get from that building. If we finance it with twenty-five year bonds, which are the bonds that we have been traditionally been issuing and would expect to continue to issue. It is a fact, that we are charging people for twenty-five years, for the use of that facility. The people who use it after that are basically getting it free from a prior generation, the argument for pay as you go, is that all the money should be put up now, so that there would be no charge, ah... to persons coming later, but those people, the ones who pay on a bonded program, are also the ones who get the use of the facility, who enjoy the benefits from it's existence. Now there are two kinds of bonds here; there are revenue bonds and general obligation bonds. The general obligation bonds are issued by the State, with a pledge of the full faith and credit of the State. The Revenue Bonds do not have that pledge, thus the liability of the State Treasury for Revenue Bonds differs substantially from the liability for the general obligation bonds. The Revenue Bonds are used to finance projects that themselves earn money, pollution financing, Industrial Development, Tollway, and Housing. The General Obligation Bonds are basically backed by all the resources of the State, and if you think about what that means, you can see that it's a very good obligation indeed. Currently, and at any time

in the future, debt service out of the General Revenue Fund would never exceed 5% of the total of the General Revenue Fund, and the debt service, the payments to the bond holders, has first claim on all the revenues of the State. What that means is that for the bonds to go into default, it would have to be the case, that there would be a 95% reduction in our Sales Tax, our Income Tax, our Cigarette Tax, and all out other sources of revenue. And if you can not imagine the 95% reduction in your income or your purchases, as I cannot in mine, then you can see why our bonds would be very marketable indeed, in credit markets. One other technical point I would like to made before... summarizing the program, in the context of the specific legislative hearings that you will be having on this program, there will be a number of different concepts that you will see in the legislation. First there is substantially legislation to improve our purchasing procedures, to permit acceleration. Second, there is bond authorization legislation, you limit and appropriately so, the amount of bonds that I can sell, by virtue of feeling on bond issuing authority. In some cases, but not in all, that would need to be changed by Bills that are pending before you. After we have bond authorization authority and appropriation authority from you in standard appropriation Bills, with which you are familiar, we can begin to commit funds to projects, and alternately we end up paying the contractors. The sequence is such, particularly in the Environmental Protection Program and the School Construction Program, that the project is normally well underway before there is actual expenditure of money on it. We pay the contractor, after he has partly completed work, not before he begins it, and we use local money first. There has been... I ah... I am as sure of this as anyone, a general feeling that inflationary times, where such as the State should not be in the business of worrying too much about the pace of it's construction, now that the problem has changed. Our attitude must also change, and our attitude must be, that the delays, that the long lead times associated with construction must, wherever possible be eliminated by Administrative Procedures, by legislation and by a change of attitude. It is that change in attitude, which we hope that

you will share with us, if you will, a sense of urgency about the unemployment problem, and I feel that the State, by accelerating a number of good things for schools, and pollution control and highways, and do two things at once. We can do what we recommend, or what you decide for the people of Illinois; these are real schools, real highways, real pollution that we're talking about and we can time it in such a way that we can do something about the States unemployment problem. Mr. Speaker, Mr. President, we are available for questions."

Speaker Redmond: "Representative Geo-Karis."

Geo-Karis: "Ah... Mr. Hovey... The Speaker, Mr. Hovey, and Ladies and Gentlemen of this House. Do I understand you correctly, that we will be using General Obligation Bonds, and Revenue Bonds in the two phases of this proj... ah... project."

Hovey: "That is correct."

Geo-Karis: "Are you aware of the fact that already we have, I believe, General Obligation Bonds, backed by the full faith and credit of the State of Illinois for the R.T.A., which will be rather substantial. Therefore, can you tell me, when we run out of money for all the project of State of Illinois... will we have to have a tax increase, as a result of this program?"

Hovey: "The answer to that question is clearly no."

Geo-Karis: "But how are we going to make the money up to pay up all the obligations of the State?"

Hovey: "The... way in which you would examine that question is, obviously to look at the debts service, the interest in principal cost overtime as they relate to changes in the State's revenue. The State's General Revenue Fund.. Revenues... have been increasing at a rate of about Four-hundred Million dollars... a year. The General Revenue Fund debt service implications of the program that were talking about are on the order of four to eight million in fiscal seventy six, twenty to forty million in fiscal seventy-seven and then they raise to a level something like thirty-five to fifty or sixty million dollars... and never exceed that level. Now that means that the number that we're talking about... in terms of debt service, or less than a tenth of

the numbers that we are talking about on average annual increases in State Revenue, that obviously supports the conclusion, but the program does not cause a Tax increase."

Geo-Karis: "Well ah... Mr. Hovey, last week or a couple weeks ago, the Governor vetoed a Senior Citizens Bill on the basis that there wasn't enough money to support it, now if you're going to tell me... that we're never going to have a tax increase, if we go ahead and approve expenditures as such as you have enumerated... I am going to be very much surprised, because we're going to run out of money, also the services that are proposed by this Bill... who are they going to benefit? We have had programs for road construction for the past two years and they haven't been undertaken as yet, what happens to them...?"

Hovey: "Well, first it should be clear that... you can clearly undertake a program of this magnitude, with these costs, without increasing taxes. The test on that general subject in fiscal 1978 or 1979 or 1980, will be the big expenditure items, what you decide to do in Public Aid, the extent that which you grant increases to State employees, the extent to which you expand financing of elementary and secondary education. Those are the items, that are the type that of the type that are critical, in terms of the overall balancing of the State's Budget."

Geo-Karis: "But your telling us that we're going to have a three or four hundred million dollar surplus, is that correct?"

Hovey: "The... State lifted its last fiscal year... in July, with a budgetary balance of approximately two hundred and ninety million dollars. We are currently spending at a rate faster than we are taking money in, and we will probably go through on the order of at least a hundred million dollars in operating deficit, this year leaving us with something like a hundred and ninety million, for utilization in the Budget in fiscal year 1976, which we will present in March."

Geo-Karis: "Well isn't it a possibility the whole State could be bankrupt, when we have so many billions of dollars out in bonds, and when we have expanded services, because of technological improvements,

is'nt it possible that we can go... too far with a program like that, Sir."

Hovey: "It's ah... possible only under the circumstance that I'd enumerated.

.... which is that you would have something like a reduction of 95%, and everybody's income and sales. There was one other part to your question that I didn't get a chance to answer earlier, and that is...

who is served by the program? Who is served by the program, is who is served by the projects... in the same way, who is served in the current State programs. Now, we know who those people are, they are children in schools, they are students in higher educational institutions, they are people who use our roads."

Geo-Karis: "Well, I know that but, this is... would you please answer

the last question, I won't bother you any further. I have the highest respect for you Mr. Hovey, but something is not very clear in my mind. Why... are we undertaking additional road programs, when the ones that were already committed, have not be... begun yet, by the transportation department."

Hovey: "The... concern about the pace of construction in transportation, which is very real, and shared by us as well as Members of the General Assembly, is not as far as I know, of concern that focuses on the interstate system, the Federal Aid. Primary System, the numbered highways, or on our own State Construction Program. It is all focused on the Supplemental Freeway Program, and the Supplemental Freeway Program... has tremendous elements of lead time in it, that are not shared by the widening and resurfacing that we're talking about here. We have land activism, which as you know, has created problems, we have environment impact problems that are just unfathomable in their magnitude. The environmental impact statements themselves are massive documents, we have Federal Review procedures in a variety of things that cause us, and you, to feel unhappy about the pace of construction that we can sustain with that program. But, I don't think anybody is saying it's a problem in any other Highway Program."

Speaker Redmond: "Represent... Ah... Senator Netsch... Keller switch...

Netsch: "Thank you, Mr. Speaker. I wanted to direct a series of sort of related questions, if I might, to you, and Mr. Hovey. First is just

to clarify something, that I guess is fairly clear by now, and that is your assumption is... that the State will continue to do all of it's Capital programing from here to eternity through bond issues, that we will never go back to anything that ah... I'm not sure... pay as you go is the most accurate way of describing it, but that kind of a system... is that you assumption?"

Hovey: "For the purpose of designing the program, and recommending it's enactment, ah... it wasn't necessary for us to make an assumption on that point. We have looked at the consequences on going what you say, ah... it is certainly a feasible option... Ah... there are other options that you may well want to exercise at the time. For example, in the Highway Program, where we are recommending bonding, there will be, by the end of the fiscal year 1976, eleven billion dollars of impounded Federal Funds, eleven billion dollars. Illinois percentage at 6%, six hundred and sixty million of that money to which we have a valid plan, it's part of the Nixon impoundment, if there is to be the relief of that kind of money, as distinct from the two billion the President announced the other day, you might very well want to shift certain aspects of your Highway Program, plus in that area the President has purpose that they resend a portion of the Federal Gas Tax for re enactment by the State ah... under a credit type device, now that situation with Highways is one example, ah... indicates that there are certain things that at the time... might cause you to want to go a quite different way than bonding, for example the Road Program. Ah... school construction is... is basically the legislature discussion. The program was originally enacted for four hundred million dollars... we have recommended an increase... you could stop the program, which many have been what people contemplated when it was enacted, or you could continue."

Netsch: "The answer is "yes" and "no":"

Hovey: "Yes".

Netsch: "All right, the ah... is there any part of the accelerated construction program that could not be begun right now with the use of the existing bond authorization, and my understanding is, that we presently have outstanding a ah... in the neighborhood of about two

FEB 14 1975

18.

million do... I'm sorry, two billion or two point, one billion dollars in bond authorization, that is what has already been approved whether or not the bonds have been sold. Is there any part of the accelerated program that could not be put into construction within six months to a year... within that part of the bond authorization? In other words, why do we need another approximately two billion dollars of bond authorization, right now?"

Hovey: "The... answer to the question is "yes", a substantial segment of program would require additional bond authorization. The reason for that ah... is that the bond authorization gives us the capability to make commitments ah... for example in the Environmental Protection Program where we are not asking for additional bond authorization, ah... the amount that we have that is actually issued as cash is very small. But, the number of commitments that are outstanding, and their cost is considerably larger, so that in those programs where the total of your commitments has already reached, or is about to reach your bond authorization, then you would need more bond authorization, about a billion dollars of authorization, plus those things that you would have to separately authorize by bond. For example, we're recommending a new program for private higher education, you would have to enact legislation for us to do that... we're recommending the widening and re-surfacing program in a brand new issue, called Transportation Series "C", and every bit of that would have to be new."

Netsch: "What has been done to date, to accelerate the exist... ah... accelerate programs out of existing bond authorization, and again that is really part of the previous question, why do we have to have two billion more when... ah... what has been done to make use of that, which we have got right now?"

Hovey: "About two months ago, ah... the administration began to get interested in the concept of an accelerated program. At that point and time the Governor called in for a series of Saturday sessions at the Mansion, each of the directors that have major construction responsibilities and went through with them two questions. The first question was, what would you recommend for an accelerated program, what we are presenting to you today, and the second question was, what can be done to

accelerate the construction that you already have, now what we have done specifically in each of the agency that I can speak to, if you would like me to, but basically we have made that a part of the discussions precedent to the announcement of this program."

Netsch: "Well I ah... ah... don't know how long it would take you to go through it and I'm not sure we would want to take tha... I'm not sure everyone else wants the time to be taken right now, but I think that information should be made available to us, ah... because I think it's a very serious question on the part of a lot of people, so that, in either written form or orally, it should be done very promptly I would recommend."

Hovey: "We will do that, I will give you one example, so you will know the kind of thing we're talking about. In my own office, when you appropriate capital projects, your appropriation can not be used by the agency until a release is signed by the Governor, those processed through my office, and one of the things that we found out... to my fortification, was that I was taking something like thirty days on conservation projects, where we had agreed with Directors of Conservation a year ago that those were the projects that we wanted to build, and we are catching that kind of paper work problem, and I'll admit to having one myself."

Netsch: "All right, may I urge that we have that information made available, and if I might Mr. Speaker just limit myself to just one more very quick question. Has any estimate been made of the ah... amount of additional payroll that would have to be added in the State of Illinois to make sure that a four billion dollar accelerated construction program would indeed be accelerated."

Hovey: "Yes, and the... the answer is ah... depended again on the program, in many of these programs ah... the cost of acceleration... is really nothing, that is for example if your going to build a particular University Building, ah... the architect that design those kinds of things ah... have a cost associated with them, if you are trying to get somebody to do it faster, the only cost that you really have is a coordinator of acceleration, ah... Don Glickman formerly in the ah... House Staff, is serving that roll for the Governor. Ah... and the other thing you have which is logical enough, is that you're going to have cost

associated with the fact that your doing more construction. There is no question about that ah... but those costs don't result from accelerating anything, they just result in the fact that there is more physical volume of inspecting completed road projects for example. I don't know if that answered the question."

Netsch: "Well, is there any estimate of... of what we might be talking about if indeed... if this program were to go ahead exactly as purposed. How many people might have to be added to the payroll in order to make it work and not have it's bogged down in what we are all familiar with happens in bureaucracy."

Hovey: "Okay I can provide detail in that, and will do so and will make this general comment, ah... that the two primary construction agencies, the Capitol Development Board, the Department of Transportation, would need some increase in staff, for the purpose of supervising the additional construction. However, in the program agencies, and throughout the other programs such as the Private Higher Education Grant Program, for example, ah... we're not talking about additional staff."

Speaker Redmond: "Representative Kane."

Kane: "Thank you, Mr. Speaker. Director Hovey, Ah... most of the justification for this const... accelerated construction program has been tied to increase in the number of jobs. And what I'm wondering is, if it can be shown that... thirty thousand jobs will not created by the acceleration construction program, are there other justifications for going forward with the program at this time."

Hovey: "Yes, the quality of the projects themselves."

Kane: "At this time, I'm talking just about accelerating the program... Mean the quality of the... of the program, the quality of the building is going to be there where it's ten years from now or five years from, or three years from now. And ah... as I understand it ah... the reason for doing it now and accelerating it, is the creation of some number of jobs."

Hovey: "I think you can look at it this way, there are in Chicago... some children today in a school that is clearly inadequate. Ah... then the question becomes... if we accelerate we will obviously build the school while the child is still in school. If wait ten years, he will not... and those kinds of consequences run throughout the program."

Kane: "Would you agree though that the basic justification for passing the... ah... program at this time is the creation of jobs and improving the economy?"

Hovey: "That's definitely why we came up with the program, and what we expect it to accomplish. A number you indeed, in past discussions with us ah... have taken the position that spending on certain of these programs should be higher anyhow, and you will see us in this ah... confirming some earlier positions that many of you have taken on these varied programs."

Kane: "Yes, but of a number of jobs that would be created has been thirty-thousand, is that correct?"

Hovey: "That's correct."

Kane: "Are those jobs ah... basically in the construction industry?"

Hovey: "Yes."

Kane: "Would you tell me what are the assumptions that underline the... thirty-thousand, what rate of payout are we talking about ah... on a annual bases that would create thirty-thousand jobs?"

Hovey: "Ah... the assumptions by which the job estimate were... was made are spelled out, in page 6, of the Governors message, which you may have before you. I might add that the President in announcing a two billion dollar release of impounded highway funds, said that he would create by that two billion, something like a hundred thousand jobs. If he's right our estimate is very low."

Kane: "Well, what I'm saying is... is what is the estimated payout to reach the thirty-thousand, do we have to payout the four point two billion that we're talking about, or is it some lesser figure, and if it is a lesser figure what is the lesser figure. To create thirty-thousand jobs?"

Hovey: "The method that was used in the calculation... was simply to take a one point nine billion dollars, as I recall divided by two, spread it over two years... and then go through the math that is in the message, which is to calculate 40% for wages, ah... and calculate an annual salary rate of twelve-thousand dollars a year."

Kane: "So the underlying assumption is ah... payout rate of... a billion nine over a two year period, so we're talking a one billion expenditure

in a year would create thirty-thousand jobs. Is that what you're saying?"

Hovey: "I... think that's right, I would have to check to see exactly how I did the calculation but it seems to come out to the right numbers."

Kane: "Okay, the latest figures that are available from the... bureau of Employment Security, indicates that in December, there was employment of a hundred, eighty-one thousand persons in the construction industry, in Illinois. Now that's only... fourteen-hundred less than December of 73, and a thousand more than the five year average for employment in construction in December. But I'm wondering is, if create... you know December is part of the low period of the year, are we talking about increasing the low point of the year are... are we talking about increasing the number of jobs in construction during the whole year so we're upping the schedule ah... by thirty-thousand jobs ah... for the whole period, so there is thirty-thousand more in the summer over the normal summer period as well as thirty-thousand over the normal winter period."

Hovey: "That is going to vary by program, there is certain forms of construction that can be taken place on a non-seasonal bases, there are certain forms of construction, such as the highway re-surfacing work that can not be done, ah... in freezing weather. When you talk about the pool of unemployed persons ah... you have to understand a little bit of about how the recession is influencing the construction industry. Two things have happen, one reflected in your December, 1973 numbers is that Housing start have dropped very perspicaciously and just a lot of people who are about the business of building houses are now unemployed. There is another set of people... who are in the heavier construction industry, who are enjoying the decisions on building new plant and equipment, that were made a year and a half ago, and a year ago, while the construction is still going on. Those same businessmen are today making decisions not to build new plants so we will be in circumstances when workers come off... those kinds of projects, the private economy will not... be in a position to provide jobs for them."

Kane: "what your saying then is that, this summer there isn't going to be

the ah... normal increase of... of jobs, you not saying that the... the level of construction jobs at the present time is any lower than it normally is at this time of the year."

Hovey: "I will have to look up specific figures because I haven't looked at the labor figures, but the situation is this... ah... somebody may define a construction worker as a... union brick layer, and may do an unemployment rate on that. Whatever the situation is, there are three-hundred thousand people out there without jobs, and we are talking about working for example, on highway crews only for private contractors that are doing the kind of thing you see highway crews doing. Now you don't need specialized experience and training for most... but not all of those jobs, for heavy equipment operation you do. So you're drawing from a pool that's beyond what might be defined... as just this exact kind of person."

Kane: "Well you're saying then, that there is a lot of transfer between say... industrial unemployment and construction unemployment."

Hovey: "I'm saying that if there is a lot of people out there looking for jobs... which there are, and we create some jobs out there looking for people, and the number of jobs that we create is 1/10... of the total unemployment, that the people who have the jobs and people who need the jobs will match with each other. Yes."

Kane: "So what you're saying then is, that the thirty-thousand will go on top of the normal increase between the... ah... winter low and the summer high."

Hovey: "Well I'm really not making explicit assumption on that."

Kane: "Well... what are you trying to do... you mean that if we're just trying to put the... there's a normal variance of about fifty-thousand people in the construction industry, between September and February, which is the low months. Now, what I'm saying is... is this program designed to even out the seasonal unemployment, or is it designed to put thirty-thousand additional people on top of the fifty-thousand... that normally go to work."

Hovey: "Okay... I understand the question ah... no. The program is not designed... to deal with, as what we as economists call seasonal fluctuation in unemployment. The program is designed to deal with the

overall level of unemployment, and it is a fact... that for example, we will be doing the bulk of the highway construction work... ah...

in such times that February will not be a big month, that's quite true."

Kane: "Okay, so it's thirty-thousand additional jobs in construction industry. Would you agree that the construction industry... is a capital intensive industry?"

Hovey: "Depends on the kind of construction... ah... if you think about the problem of replacing walls in a mental institution, then you're not capital intensive. Ah... those projects use a great deal of labor, if you're talking about a supplemental freeway ah... somewhat labor intensive, but not as much as the widening and resurfacing that we're talking about here... and you can go through schools, sewers, etc it varies, by program."

Kane: "Is there a supply of basic capital to match the thirty-thousand additional workers that we're going to put, is there going to be the heavy cranes and heavy moving equipment that's necessary to put that number of people to work?"

Hovey: "Yes. I think that's very easily answered and does answer... yes... ah... you can look at, not only what is going on in construction today, but any reasonable estimate of what you expect to happen to construction nation wide, and the equipment pool can be of a nation wide pool... and conclude that equipment is basically not going to be a problem."

Kane: "Except the heavy equipment industry right now has been going full blast for an awful long time and... ah... there is still backlog on orders."

Hovey: "The... only thing that you would need to have happen is not to... have our contractors get into a line... for heavy equipment orders, but simply to recognize that out there in the United States today there is a lot of heavy equipment... that even if it's being used today, is not going to be used as much as in the future... I don't see how... you can stick with the prism of the question which is that there isn't a problem of declining heavy construction. We all know it, we read it in our newspapers, we see it coming, you can read it in the econometric forecast, if you feel better about reading it there..."

Kane: "But we're talking about increasing by thirty-thousand jobs and ah... in order to do that, we're going to have to have the capital to match the jobs... and I'm wondering whether the capital is there."

Hovey: "And... I'm saying that...."

Kane: "And what figures are you using."

Hovey: "When you're talking about... ah... such things as the kind of stuff that we use on highways, heavy cranes used in heavy construction, and it clearly is."

Kane: "How about the supply of materials, the asphalt and ah... that kind of thing? The last time we had a heavy highway program we ran out of asphalt in the middle of the summer."

Hovey: "The Department of Transportation has gone into the asphalt question and another couple of supply questions ah... in what they consider to be, and I think I do too, exhausted detail. Ah... and have basically concluded that ah... it is not a significant problem."

President Partee: "Would you pardon me for just a moment, I would like to point out... that the board indicates that there are eleven other persons who desire to ask questions... I would also like to point out that... the heads of several of the Code Departments are here and if you have specific questions of them, I'm certain that they would be available to... answer those questions. Continue."

Kane: "I will yield at this time."

President Partee: "Representative Skinner."

Skinner: Yes, Mr. President, ah... I have two questions... ah... one of which deals with why you are concentrating on Amtrak Station, instead of Amtrak Track, where the renovation is needed."

Hovey: "The decision to concentrate on the Stations ah... resulted from a couple of things. First the... ah... kind of construction that is involved... is something in which the State can get in and get out, in terms of it's involvement... that is if you rehabilitate a station, you are not really committed beyond that point, and it can be done fairly quickly and it is construction parallel to Housing construction in terms to work force it used. On the tracks ah... the problem that I see, frankly, is this... that if we once, as a state, decide that... problems in rail track is a State problem

we will have taken on a decision... with almost limitless financial consequences."

Skinner: "Well, I view the ah... proposal to do the Stations, and not to the tracks as an attempt to suck the people in... and then wait until they get disappointed when they get on the train. I think you're going at it "back ass wards", I would also like to ask that in a ah... recession let me lay a little ground work, in a recession people use free ah... free spare time activities. Ah... such as, libraries or museums, and I don't see a dime of money in here for libraries and as you should know at this point the Library Financing Sub-Committee has suggested that the State of Illinois appropriate two-million dollars per year, which shouldn't make any kind of a dent at all in four point one-billion dollars... ah... for... to take the place of a ah... Federal program that is being sought... we think this would be a highly appropriate addition, and I am very happy that you're writing it down."

Hovey: "The ah... the decision that we made in the accelerated program... involved a number of exclusions which were considered... ah... you can find capital improvements that need to be done... in cities, in library districts, in park districts ah... in a variety of other ah... special situations like that... ah... we did consider going that route... and finally decided that it would be so hard... to select among the multiple applicants that we would have... either end up with too big of a price tag, or too many unhappy applicants who simply wouldn't be able to get assistance because so many others wanted it."

Skinner: "Well I would sincerely suggest to you to investigate how the Secretary of State's office ah... through the State Library has been doling out two-million dollars a year for the past seven years, and I think you will find... a logical priority system has already been devised... and I think that the fact that it has been devised and carried out by the Secretary of State's office should not be reason a reason for rejecting it."

President Partee: "Representative Cunningham."

Cunningham: "Thank you Mr. President. I noted that you observed that

the ah... would be savior of our district, Secretary Bond, will he appear later or not, ah... Mr. President?"

President Partee: "It is my understanding that if you have a specific question, of a specific person... we could put him on now and relieve..."

Cunningham: "No, No, my only question is will he be later, Secretary Bond, I noticed you on the floor... will he be available?"

President Partee: "Well, he's here now, do you desire to ask him a question?"

Cunningham: "No, No, but I want to ask to some Representative to... to Director Hovey, but I wanted to be sure that I didn't duplicate the questions, so I will proceed. Now, Director Hovey, let me be... uncoy with you. My vote can be had ah... on this particular issue, but I wanted to ask... I wanted to ask these specific questions. Does this in anyway... assist or accelerate or exploit the freeway program?"

Hovey: "The... program itself and the bonding recommendations... ah... do not relate to the supplemental Freeway Program simply for the reason... that ah... as we pointed out ah... in the Governor's message, ah... the Freeway System has already been one where we are committed to acceleration."

Cunningham: "One further question on that point... ah... in 197... 69 we passed the Highway Act, authorize the issuance of six-hundred million dollars for the Freeway Program, could you tell us how much has been issued todate? Approximately."

Hovey: "The... amount that has ah... specific project commitment, that is your appropriations against it, is four-hundred and two and a half million dollars."

Cunningham: "I would ask ah... does the program contemplate any increase in the number in the State Employees or will all of the personnel be private contractors?"

Hovey: "With the exception of the two relative small instances that I mentioned in terms of construction supervision in the discussion with Senator Netsch, they will be private."

Cunningham: "It's been conjectured that the issuance of ah.. bonds in the amount contemplated would glut the bond market and ah... create

a problem there of disposal at rates that were tolerable, what do you foresee in that regard."

Hovey: "We don't really see a problem there... and I'm sure that the committees who ah... consider this will obtain financial advice as we have on that point. Ah... the question basically is, will the market absorb high quality, triple "A" bonds ah... and at the levels that we're talking about, I do not see a problem here, we just went to the market yesterday... with a hundred-fifty million dollars, for example, with absolutely no problem in the favorable interest rate."

Cunningham: "Now, Director, in as much as presently the State has authorization to issue ah... bonds, General Revenue... General Obligation as well as Revenue in the amount of assets of four point four-billions dollars... would it not be possible to proceed with the Governor's expanded ah... program at the present time without further authorization on the assumption that alternatively the General Assembly would authorize such additional bond issuance as required."

Hovey: "We would of course, under that plan still need appropriations to give us authority to spend. I would recommend as Budget Director, against doing that because what that would mean... if say we had an authorization to issue bonds of a hundred million... and we went ahead and committed to projects... of a hundred-fifty million, that at some point I would be coming to you saying... I need an additional fifty-million of bond authorization, and if you don't give it to me I will close down all these partly completed projects."

Cunningham: "But you could proceed, if you wish to bet on the come in that direction, could you not?"

Hovey: "Ah... you... certainly could, I would strongly council against doing so."

Cunningham: "Final question. General Revenue is against ah... General Obligation is against Revenue... I got the impression from your remarks that these were divided to some. Is it not true that all... of these bonds are General Obligation bonds?"

Hovey: "The... accelerated program does... break ah... the types of bonds so... in answer to your question it is not true, there is eight-hundred

seventy-five million dollars of recommended Revenue Bonds in the package."

Cunningham: "Thank you."

President Partee: "The Chair would ask all Members, Directors or Representatives of Code Department that are present... to come down front so you'll be accessible for questions that may come later. We now recognize Senator Glass."

Senator Glass: "Ah... Thank you ah... Mr. President, and I promise not to be as windy as many of my former House Colleagues. Ah... Director, my question really goes to credibility as it has been pointed out by several Members, you already have over two-billion dollars in bond authorization ah... and as I understand it there was an attempt to sell bonds of about a hundred million in December that was recalled because of market conditions, you have indicated... this year you have sold a hundred-fifty million. But you're talking about a two year program... and ah... it seems to me that ah... these bonds can't be sold ah... ah... in that period and that four to six years is a lot more reasonable. Would you comment on that."

Hovey: "Sir, I'm glad you asked that question... When I pulled from the Market... in December, the offering of State of Illinois Bonds, I pulled it not because I couldn't sell them, but because I didn't like the price.... We estimate that, had we gone to the Market in December, we would have paid about 5.7%. I happen to have sold those bonds yesterday, and I sold them at 5.2%... which tell you that the decision to take it off the Market it's going to save you seven-hundred, fifty-thousand dollars next year, and I'm very happy with that, and not the least bit concerned."

Senator Glass: "Well, wouldn't ... ah... I don't think you have answered my questions yet ah... but with regard to... your answer ah... wouldn't you have done better had they been twenty-five year bonds, rather than twenty... in December? Wouldn't you have been able to market them at a better figure."

Hovey: "Ah... the questions is a technical one and... reasonable one, I think. Would I... Wouldn't I have done better if I had issued twenty-five year bonds in December?"

FEB 14 1975

30.

Senator Glass: "Twenty-five year. There were twenty ah... as I understand it, you just sold twenty year bonds."

Hovey: "Right."

Senator Glass: "And that you attempt... what... what was your term of the bonds that you pulled off in December?"

Hovey: "Twenty-five... but the comparisons that I'm making for the purpose of establishing what they would... have sold for... are comparisons to twenty year obligations."

Senator Glass: "Well ah... think I would like a response to the other question, which was the term expected, term of selling all of these bonds and continuing to retain the State Triple "A" rating, when you... and it's been asked already, and I think you have responded to it but as I say, I... I have a hard time accepting your answer that... that they can't sell in that period and ah... and at the same time keep the State's Triple "A" rating."

Hovey: "Then I suggest that you think of it this way, there are really two questions here, one is the salability... and the second, is the rating. With respect to salability, what we are selling is a pledge... of all of our revenues, a pledge of all revenues... that kind of paper will sell, there is no question that what it will sell, there is a question about price, and that's where the marketing and Triple "A" question ah... becomes relevant, because it does make a difference... to the price. And the thing that I suggest there, is that we have looked at this in terms of presenting it to the financial community, as a one time item, as distinct from a general change in the level of bonding... and have good acceptance of it there. Ah... you can check that by... bring in bond buyers ah... to the hearings."

President Partee: "I want you to know that I just got a note from Senator Glass, apologizing for the remark he made about windiness. Representative Grotberg."

Grotberg: "Thank you, Mr. President. Director Hovey, my question too has to do probably with credibility but not credibility about your wisdom of the market place upon... but more about the fact that in my District, ah... as you are aware it's impacted with six prisons and one sizable Mental Health Unit, and I'm glad to hear that at your office it has the

thirty day clause that has been slowing down some of the money, but the impact of this shot... that you're talking about and the billions of dollars... taxes so much ah... possibility when I think that within the last three years I have analyzed one institution for instance, St. Charles "of andia" that is close to my house, and maybe you have heard... but the intent of the legislature of the last three years, has been 2.6 million dollars, just to keep a old State Institution from falling into the ground. Somehow through the wisdom of you, and your leader, and your staff, you have spent a hundred and forty-six thousand dollars of that 2.6 million, in the last three years... and that to me is a strange phenomena 5.6% of the legislative inten... ah... got translated into action. When I see that kind of... record then you come to us for another legislative intent up into the billions... I wonder how... other department people here feel, and Capitol Development Board, which has it's own problems ah... getting a job done... Ho... how will it work in the system, do you see that as a question for your sele... I'm not too worried about highways, there used to building big deals, but ah... who builds the little cottage out at ah... Dwight, Illinois, in the prison."

President Partee: "Does the witness understand the question?"

Hovey: "Ah... I understand the question... but let me attempt to short answer and give you the option of asking any of the Directors you would like to ah... testify. It is clearly true, that State construction procedures have been slow... ah... typical I suppose of Government's General, in that it's exactly that situation... that we are now improving upon. Ah... you have got a different situation when you are, for example, a Budget Director... thinking that you really don't want to spend money, and it's in a time of inflation... and a much different situation when a Governor says... we need to accelerate construction, now how that translates into specific projects... ah... the individual Directors can obviously answer better than I."

Grotberg: "But, what you're saying then is that... all of a sudden we are going to a 1800 turn and everybody is going to function... ah... as

they supposedly should have been functioning. You had authorization from this body for ah... repair and maintenance and small minor construction in the areas that I'm talking about, in a specific location in Illinois. It did not... happen two years... it did not happen last year... Now ah... are you saying it's going to happen... because your Department doesn't build these things."

Hovey: "That's right so... perhaps ah... you would like to ask Don LeFevre

I think is here from the Capitol Development Board, on that point."

Grotberg: "May I ask him that question?"

President Partee: "Would Mr. LeFevre come to the mike, please."

Grotberg: "Mr. LeFevre, maybe I can narrow the question so maybe you can give a ah... for instance, a ah... new half million dollar fence around St. Charles school... for boy's... it's shows up in your Budget page, under accelerated program, has seen the page, the prepared bill... ah... the appropriation bill. Now... who's... who is going to accelerate that... are we going to have a fence around that particular school?"

Don Lafever: "The item itself, was not prepared by C.D.B. it was prepared by the using agencies, they decided the need for the item, and that's the first step... the acceleration is something that... they are putting in their program needs in now... and most of them we have. We will utilize the outside private sector to expedite all these jobs... contrary to you all thought that the first people out are construction types, usually the professional, the engineers, their staff, the architects, draftsmen, clerks that work those office... are probably having less work on their board than they have seen in many a year. These people will be utilized rather than fully staffing State Government, and therefore we could put it out on the gross days across the State of Illinois employing architects and engineers to design those facilities and proceed, also with the slow down in construction... contractors need the work, are looking for it and have assured us that will competitive bid for all the work that hits the street... and so in that way we will accelerate it."

Grotbert: "Okay, I will not press the point because I'm convince... ah..."

Director Lafever that your agency gross problems, you know that too, we all kn... you know, I'm sure you live with it everyday. But, on a credibility program like this, that is supposed to put people to work in the next ten to twelve months... I see nothing yet that's happened in your department that would put anybody to work for about four years... and I'm all hung up on that... we can talk about it later on, privately if it's an issue... but the credibility kinda ends at that point."

President Partee: "The Chair recognizes Representative Younge."

Younge: "Director Hovey, ah... is there some assurance that the ah... the accelerated building program purpose will show up where the areas of high unemployment are... in other words, we have three-hundred thousand people in this State out of jobs ah... have you cited certain specific areas... highways and the houses and the other things mention in your program ah... are they going to show up where the people are out of work?"

Hovey: "The answer is... yes, where possible. In certain of the programs ah... which are currently being administered, you have set ground rules or approved our ground rules, for who are the eligible applicants. The School Construction Program and the Water Pollution Program are its examples. In other cases we had the capability... to go through individual projects... in light of differential unemployment rates, just as you suggest. And the Highway Program for example, will reflect that."

Younge: "The other thing is... that ah... we have in the inter cities ah... in this State, grossly deteriorating conditions... and I wondered what concentration have to given to... the well planned quality environment needs of the cities... it seemed to me that there was a strong emphasis on... other than city development... here."

Hovey: "Ah... the basic question of what can you do about the city... ah... it obviously one that can be addressed by a wide...variety of programs... ah... what we have done is address those that can be addressed by capital. Ah... clearly the water and sewer projects, for a large city, ah... effect all citizens of that city but, inter city as well. Ah... clearly the school construction program... can

have... and will have in Chicago specifically. a direct City impact. Finally, when you're talking about six-hundred million dollars of housing construction... ah... dependant very much on the way in which the Federal Government administers two or three programs in which we participate... you can go a great deal in the inter city. What we have not proposed though, is what I would call a State Urban Renewal Program, we haven't done that."

President Partee: "The Chair recognizes Representative LaFleur."

LaFleur: "Director... Director Hovey, ah... I, for one am quite disappointed in your presentation here today. Ah... since you have only taken the press releases and have re-read them. And I was much more hopeful that you would prepare for us a road map, showing us not only the direction we're going but the terminal point to these various things that you're proposing. But one thing does concern me, and that is the footwork that you are using, dancing around the very serious problem. And that is the direction you want the State to take... in financing these programs, and moving away from pay as you go bases into pre... ah... prior to ah... future commitment. And one thing that concerns me, the information that I have... certainly does not substantiate your position... that the bond market cannot be saturated with bonds... where the State would lose its Triple "A" rating. Now you have replied to other questions, that you brought back bonds and did not sell them... and it was beneficial to save a $\frac{1}{2}$ of percentage point, on the issuing of bonds that you offered in December, and that's you just sold yesterday. My concern is two things, what is your formula as to how much the bond market can.. absorb annually, and the State maintain its Triple "A" rating, and if... we get into this program, and it must be necessary for us to move from a Triple "A" rating to a lesser rating.... what the interest rate would be... and what the increase in the program would be by this accelerated spending."

Hovey: "The answer to the second question first... the consequence moving from a Triple "A" rating to a Double "A" rating, is between twenty and thirty bases point. A bases point is a hundredth of a percentage so that's saying that it's 2/10's to 3/10's of a percent in the interest rate. In answer to the first question, the formula that you

would use... for determining a rating... ah... and one's ability to maintain it, the rating agencies will not tell you a formula. The reason that they won't tell you a formula, is basically they don't have one. Ah... we do know however, what they consider, which are the same things that we printed last year in the Budget Book, in the bonding section. The most important of those... is interest coverage, ah... in a cooperate context, they are looking at... whether the revenues of the corporation... ah... and its earnings are a reasonable multiple... of the debt service that we would have to pay... and if you think about it, that is the kind of thing that you would look at too, when you were looking at the quality of the bond, if I told you that State revenues... were such... that interest ate up 40%... of our revenues. Ah... then you would not have a good quality bond at all... if I tell you that interest cost will be 1% or 2% or 3% or 4% of total revenues... then you are looking at a high quality bond."

LaFleur: "Yes... but you're talking only of interest, but your not talking of paying back the principal also... Our debt service would grow to such a fathomable... amount, that we would be in the hundreds of millions in a very short term. The figures that I have on your projections, and I have to admit, that I'm so incomplete that I ah... ah... can't argue validity of this... but that our debt service in 1977, would be something like three-hundred and forty-five million dollars. Can you refute that?"

Hovey: "Yes... I can ah...you're right by the way ah... I would like my answer to stand corrected where I was talking about interest... I was really thinking about debt service, which is both interest and principal. The answer remains the same. Ah... you... I can not imagine that you could get to a debt service number... in fiscal year 1977, I think you said, of something like three-hundred million. Because that would say... that you would have issued... about ah... a hundred and twenty-five million dollars worth of debt service... based upon ah...the accelerated program, and you couldn't get that much debt service out of the accelerated program. I would be happy to look at the numbers and their source and I have already agreed, I might add, to provide the legislative staff with... projections."

LaFleur: "This... this is not correct, you say but, what would your estimate be?"

Hovey: "The Fiscal seventy-seven debt service, or the accelerated program, will be in the range... and I'm using the range here because obviously I'm making assumptions about when you enacted and how fast the spending takes place, and so on. Ah... about twenty to forty million dollars... in fiscal seventy-seven, in the General Revenue Fund and on the order of something like fifty to seventy in all funds, the difference being the Transportation "C" issue in the road fund."

LaFleur: "Thank you."

President Partee: "The Chair recognizes Representative Tipword."

Tipword: "I would like to ask Mr. Hovey, a couple of questions... one of those questions being, what provision is made, or if any... or what assurances are there, that ah... small contractors throughout the State of Illinois... will be permitted or at least required... hopefully required to participate in any of this construction."

Hovey: "There are really two parts to that... ah... the first part is the extent to which the design of the program helps the small contractor, ah... certain of... the jobs, like a large school, that simply are not available easily for small contractors... except on a satisfied basis, however many of the projects, the Amtrak Stations... the University Renovation, the Private Higher Education Renovation, the Widening and Re-surfacing and the Highway's Program and the Bikeways are such that you would likely center on small contractors for that kind of work. As to specific provision of ah... small contractors, I think I would like to call on the Transportation Secretary ah... who can explain that status."

President Partee: "Director Bond."

Bond: "Representative Tipword, we do not have a set aside program, but the program design as Director Hovey... had referred to, in our program, is basically ah... favorable to small contractors, the accelerated program... ah... is basically a lot of relatively small pieces of work and it will be pretty favorable to the smaller contractors... there is capacity in the State in that category of

work, the heavier contractors are pretty full."

Tipword: "There are...are... is there anything that is specific, set aside for small contractors?"

Bond: "Negative, no sir."

Tipword: "Now, one other thing ah... Mr. Hovey mentioned something in his answer to me that... that again ah... peaks my interest... indicated Amtrak... the construction of Amtrak Stations, are those stations only along the lines which... on which the State of Illinois has purchased transportation service?"

Bond: "That is correct, our accelerated program will only deal with programs along the State supported net and... incidentally it will include some stations on the Rock Islands, which are not at present Amtrak supported."

Tipword: "Ah... this doesn't, I presume, do anything for those lines which the legislator has authorized, in which the department has not been able to implement."

Bond: "Well, we are not going... we certainly won't suggest the improvement of a station in which no passenger trains arrive."

Tipword: "Are they doing anything towards getting some of those trains that have been authorized?"

Bond: "We are doing our very best Representative Tipword and ah... have found the ah... ah... obstacles with ah... combination of ah... jurisdictional break... districts ah...brotherhood problems ah... and what I perceive is to be a basic lack of enthusiasm on the part of the railroads to run the service... ah... there also is no enthusiasm on the part of Amtrak."

Tipword: "I thought the railroads had a mandatory obligation, under the National Rail Passenger Service Act, once they became part of it."

Bond: "Well... an obligation is one thing and enthusiasm is another, they haven't legislated that yet..."

Tipword: "Okay, there is one other question that I would like to ask Mr. Hovey. Ah... Mr. Hovey, I understand that this program has been proposed... basically... ah... primary for the purpose of... at least accelerating this program, is for the purpose of providing employment to the people of the State of Illinois, in its present

ah... unemployment crisis that we have. What possible provisions are included, either in ah... these proposal or in existing law... that would assure that, Illinois Residents are employed... couldn't the contractors bring their employers from any place they wish to do so?"

Hovey: "I believe that under current laws, there is no restriction on the place... from which an employee might come. I understand that as a practical matter, because of Union contracts, in the industry, and resistance on the part of one local... to people coming in from out of State... where members from that local are unemployed, that it doesn't present a practical problem of major proportion in construction."

Tipword: "Well... shouldn't we as Members of the Legislator, however incorporate in these Bills, something that provides Illinois unemployed people are really the ones that are going to be employed by Illinois money... ah... when the basic purpose of this acceleration is to provide employment in areas of low... or high unemployment. Ah... shouldn't that be incorporated in these Bills?"

Hovey: "That seems reasonable in principle, I don't know the implications in practice, as to the extent to which the... ah... ability of individual contractors... that they would want to say that it would cost the prices to go up. And I'm just not sure that it would be a good thing to... explore in the legislative hearings with the individual Department Directors, on what they now do on that point... I was just going to offer not necessarily an alternative, but your comment on small contractors is, I think a good one, we do have a program that has emphasized small contractors... in the regular State purchasing operations and I think it would be reasonable for us to do and I will under take to do... a look at the question of whether we couldn't do a computable thing... now small contractors in components of this program. We have already made arrangements to improve minority contracting, but hadn't looked at small contractors specially." " " "

Tipword: Well... it appears to me by virtue what your answer... a minute ago, that what we are doing when we accelerate a

program of this kind we're... we're... actually accepting some waste because we know that we are going to make greater demands upon the contracting and the construction capacity in the State of Illinois, and... and there by we are probably going to force some increases ourself and some other dislocations that we may have to pay for... so it... it certainly appears to me that if it makes it higher for the contractors if they have to assure Illinois residents ah... are going to be employed in this program... if this kind of program is worth while to combat unemployment, then that's one of the things that we should have... we should accept... and be sure that Illinois residents are the ones that are going to be actually employed, if we spend all of these billions and all we do is provide to the residents of Illinois who are paying the taxes for this, merely to sluff off in providing secondary services to the contractor's employees who come in... that really we are not combating the evil that we want to try to combat, we're helping Missouri, Wisconsin and... ah... Indiana, Kentucky, or wherever they may come from, and I don't see any programs in those States to help the residents of Illinois. So it appears to me that... that the administration proposing this ought to give these assurances to people."

Hovey: "I... basically concur in what you say, I do think we both ought to explore some of the problems. I can recall one, for example, from managing printing in another State, where when we attempted to go to a provision that we buy in that State... we found we were starting to get retaliation from other States against our contractors, and the contractors told us that they basically, that they rather that we didn't do that, because although it benefited them in their State work... it was hurting them in their work out of State, so there are some potential concerns of that type... that the contractors themselves would have and I'm sure we would share."

Tipsword: "Ah... thank you very much."

President Partee: "I would hope that we could keep our questions germane and can keep moving along. The Chair recognizes Representative Totten."

Totten: "Thank you, Mr. President. Director Hovey, I have a couple of questions regarding timing. Ah... it is my understanding that both the administration and yourself, that you would like to move this job along... or this program along as quickly as possible. Ah... first... and you've asked for legislature, first of all in special session but now in the manner that we are proceeding now, ah... to move. Ah... we have requested of the various agencies, some information so that our staff and committees could start analyzing the program. And I realize your haste, and I wonder whether there is an embargo... on information as we have not been able to receive any of the specific, which we started requesting almost four weeks ago."

Hovey: "There is no embargo... at all, if any kind. Ah... I'd suggest that you... think of some information request you have made to an agency who's Director is here... cite it specifically and we will have that Director explain whatever the problem may be, if any."

Totten: "Okay, let me address my question to Director Bond then."

Bond: "We received ah... I found today, a letter that was nineteen pages long, ah... from... I believe the staff records appropriations committee, and we are in the process of groping answers to that. It is not the embargo, then it will be provided to the committee as quickly as we can."

Totten: "This letter was addressed to you on January 28."

Bond: "Well... we're... we're...proceeding at about a page a day."

Totten: "When can we expect to have the information?"

Bond: "We will do it as quickly as we can Representative."

Totten: "Within a week?"

Bond: "But it will certainly be before the appropriation hearings so that ah... the details can be presented to us."

Totten: "All right, thank you, let me address another question to Director Hovey then."

Hovey: "If it would be helpful I might add, that we could probably arrive that material in pieces rather than waiting for the whole thing to get finished."

Totten: "We would appreciate that. On the same subject of timing..."

FEB 14 1975

41.

ah... you have indicated that you would like to get this program moving as fast as possible, ah... you attended ah... the other day as well as I did, the hearing of the economic and fiscal commission, regarding the state of the economy... It was felt by many economists there... ah... that we would have a short turn around in the economy in the third quarter. It was also felt by many economists there, ah... that the programs that you're embarking on would not have an effect on the job market until the same time that the economy turns around and that we may not need the programs at all, would you please comment on that?"

Hovey: "Sure... the economic and fiscal commission hearing... ah... involving myself and a number private economists, was focusing on revenue estimates and looking at when we can expect an end to the recession. Ah... the general comment of economic forecasters, both at that hearing and elsewhere ah... is that we would hope and expect... that sometime in the third or fourth quarter of this year we would expect the turn around to begin, now that doesn't mean that the problem ends... that simply means that the G.N.P. the aggregate of what we produce... stops going down.. The president whose forecasters are usually fairly optimistic for obvious reasons, put in his budget... what he expects the unemployment rate to be in this country, and he put in these numbers. For calendar year 1975, national unemployment at 8.1%, and the real kicker. For calendar year 1976, the Ford administration itself, says that we will have 7.9% unemployment, dropping to 7.5 in 1977, that's the period that's being covered by the accelerated program."

Totten: "Let me ask you ah... this... ah... do you intend to come back with ah... the... the Bills that you have now, ah... proposed are appropriation Bills to some extent, that deal with a period over one fiscal year, it is my understanding that you may spend some of this money in this fiscal year. Do you intend to come back to the legislature with a separate series of Bills, so we will avoid appropriating over two fiscal years."

Hovey: "I... think I understand the question. Ah... we have filed Bills that would in essence mean, that you would appropriate now

for the remainder of 75, and for 76. Ah... the question is, I guess, do we think that is a desirable way for you to proceed... yes we do, and that's what we are recommending."

Totten: "Why do you think... yes, we should.?"

Hovey: "You have a... I... I think from your own perspective, ah... and I will admit to suggesting some of this myself, from your prospective it would be very hard in committee consideration, in say higher education, to separate out... an acceleration construction piece in 75, part of which would overlap with, the regular budget in 76, so I hurried up the preparation of the regular budget... so you could look at both in the completing needs in areas like higher education."

Totten: "Those particularly would probably not be started until 76, fiscal year."

Hovey: "We wou... we have hopes on ah... a number of renovation items, I'm not familiar with the exact status of everything in the package... there are also circumstances under which you appropriated planning for this fiscal year, where I think we can bring up the bid letting dates ah... end of the fiscal year."

Totten: "Would you be kind enough, or have, or sponsors of these Bills provide us with fiscal notes... on these appropriation Bills?"

Hovey: "Sure."

Totten: "Thank you. Thank you, Mr. President."

President Partee: "Representative Friedrich... Representative Griesheimer."

Griesheimer: "Thank you, Mr. President. Director Hovey, ah... I think my question is put to you with the idea in mind that we would like to have some greater assurance... out of this massive program no matter what its long run or short term benefits might be, that the tax situation does not develop into something that can not be supported by the citizens of our State. Earlier you answered one of the questions... by saying that the payment of principal and interest, or the general tax service, would be more than adequately handled by the normal input, or increase to our State Treasury on a annual basis, which I believe you pointed out

was about three-hundred million dollars, is that correct?"

Hovey: "Three or four."

Griesheimer: "Three or four... now my problem right now in trying to solve in my own mind whether there is any logic to your position and it's not just a matter of economic slight of hand. Is this the economy, is in bad shape... and it's causing joblessness, and a great deal of unemployment, how in the world can we count on that continuing three-hundred to four-hundred thousand dollar increase every year, pay for the debt service, principal and interest into the future... and if you can answer that... then I would like to know as a resulting factor, why won't take care of it's self, why do we even have to have these bonds?"

Hovey: "On the first question which ah... basically is the question of the impact of fluctuations in the economy on the overall growth of State Revenue. The impact of the business cycle, of inflation and recessions and depressions and ah... over heated economies... is basically to shift money from one year to another, so if you had say... a pure recession that hit one fiscal year, its growth might be two-hundred but you might get six-hundred the next. Ah... so that those swings in the cycles affect individual years, but not the average growth of the State over time. Ah... the second part of your question... I will have to come back too."

Griesheimer: "Well, it was merely a matter of... whether you foresaw that this was going to be able to be paid for, and could give us absolute assurance... looking into your economic crystal ball, that there would never be a tax increase as a result of this program. Will you give us that... assurance today."

Hovey: "Sure... ah... I should explain exactly why I can answer... sure so quickly. Ah... I am totally confident... that this program will not represent a major proportion of the growth in general revenue fund, in any year. And that's why I can make that answer. To give you an assurance that you would not be looking at tax increase, generally, I would have to get some assurances from you with respect to what you would like to do in fields of State activities such as, Public Aid, Elementary and Secondary Education."

Griesheimer: "That would be a fair exchange, I'm sure. My only point is that you are... suddenly imposing on to the State Budgetary scene, an expense far greater than anything that we would anticipate as a annual yearly increase, is that not true?"

Hovey: "That is not true. Ah... and we are... proposing to you... a number of things that I believe you... on becoming familiar with the details of the program, would believe you would do anyhow. If that is true, whether you do them in 76, or 77, or 1982, you would be paying the same kind of debt service in 1985."

Griesheimer: "Well I... I can't agree with you on that, but I thank you for attempting to answer my questions."

President Partee: "Representative Griesheimer... Representative Griesheimer, I want you to know that I just had a... a lesson in correct punctuation."

Griesheimer: "Thank you very much, Mr. President."

President Partee: "Representative Gaines."

Gaines: Ah... I represent a district that's 99% black and 80% employed.

Under Governor Ogilvie we were 90% employed, and we are quite concerned that the... administration would choose to spend more of the State's money on the construction trades which is most discriminatory of all the trades in the State of Illinois. And black people are quite upset over the fact the... thrust of their tax dollars are going in the areas that they can't participate in. I would like some comment on that sir."

Hovey: "One of our concerns in... well first what we could have done ah... which would get around the problem that you just raised. We could have done for an example, a large public service employment program, ah... could have recommended that to you, it had several problems, it would cost too much... it would expand public employment, and not private employment and what we would get out of it would not be as valuable. Once we had made that decision, then we decided that we would definitely have to do something... which we need to do and we are doing anyhow, to make very sure that our hiring of minority provisions... are very... very good ones. And we think that ah... we've done that ah... Secretary Bond can testify on what we have done

FEB 14 1975

45.

quite successfully... in transportation... ah... and I believe that Don Lafever can testify, or I can on behalf of the F.E.P.C. for the construction compliance program, which is one of the best in the country."

Gaines: "According to the ah... report of magazine... that is not true sir... Number one... Number two, according to Chicago Urban League. The construction trades have not allowed blacks to be trained... they are resisting their training program, so their blacks are not available for these jobs that you are talking about."

Hovey: "The best thing that I can do is to ah... ask Secretary Bond, if he is here... ah... no, I'll take it myself."

President Partee: "Might I suggest, that we are perhaps in a subject that is quite interesting and quite meaningful, but may... or may not be germane to the subject matter under consideration here today."

Gaines: "The subject matter, Mr. President, is... the spending of taxpayers money to create jobs, and I don't see any jobs being created for the people in my district, and yours either."

Hovey: "The concern is important to us, as it is to you. What I would like to do, is provide you personally... ah... with information on what we are... planning to do, and what we are now doing ah... to encourage minority employment in construction in the State."

Gaines: "I'm not talking about encourage, I'm talking about acquiring."

Hovey: "So are we."

Gaines: "Also, how many of these jobs are supposed to be available in Cook County? The sixty... millions... sixty-thousand jobs, what is it... thirty-thousand jobs we have got down to now, how many of that is going to be available in Cook County?"

Hovey: " Obviously, I don't have a precise estimate, but with the major water and sewer project that's in the program, ah... as well as a portion of the highway work and a large number of schools. Ah... the employment impact in Cook, ought to be very substantial... and quite proportional to the total population."

Gaines: "Is anything going to be done to... improve the policy of

deduce here... does the area of ah... the Capital Development Board get additional bonding authority... for instance, to have like, Park Districts, which would bring in... ah... additional which would be seed money to bring, which would result in more industry, more commerce for Illinois. Is there any specific area of these Bills, or not?"

Hovey: "Ah... the Park District operating cost are carried in the Business and Economic Development Budget, which we will present to you with the rest of the Budget. The... situation on the Chicago Park District, ah... appropriation is that, I believe is being presented with the Budget itself also."

Maragos: "Is the... is Director Lafever here, could he answer that more specifically on his own ah... because he has to have bonding authority in order to do that. Mr Lafever...Mr. Lafever..."

Hovey: "I have the answer. Ah... the Chicago Port Authority... Ah... is not in the accelerated Bill, because it isn't, as you know, an old appropriation. There is a regular C.D.E.B. appropriation Bill to be incre... introduced shortly that has our recommendation on the Chicago Port Authority."

Maragos: "All right, but it's not in this series that we are talking about today."

Hovey: "That's correct, we felt... we could not include it as part of the accelerated program, since it was something that had been discussed, and appropriated last year."

Maragos: "Thank you very much."

President Partee: "Senator Carroll, from Representative Jaffe's seat."

Senator Carroll: "Thank you, Mr. President and Director Hovey. In line with what Senator Netsch started ah... to ask for some information from your department. Are we going to have any accountability... from the department of government as to where these monies are going to be spent specifically. Will the tax paying public that will be paying the freight know ahead of time whether their monies are going to amount to jobs and capital improvements for their area? For example, what will Cook County get by way of influx of money and jobs, what do they need..."

education... ah... in the city of Chicago?"

Hovey: "The... only two ways that we can address from the State level, the quality of education in the city of Chicago, ah... if by the building program, which is definitely is a part of the accelerated program, and are the operating support and the stimulations that we attach thereto, and will have recommendations... on that subject in the Budget message for you."

Gaines: "Are there any provisions for Chicago State University?"

Hovey: "Ah... yes, I would rather... maybe I don't understand the question. Ah... we are moving ahead on... Loop, ah... there is construction at Circle, ah... I think... think it's true, that there is... ah... renovation money for essentially every major public institution in the State."

Gaines: "Well... I am partular interested in Chicago State, and in... Kennedy King, which is about a half block from my district."

Hovey: "Ah... Don Glickman tells me that, there is seventy-five million dollars worth of higher education construction... in Cook County. Ah... we will have to get back to you on this specific..."

Gaines: "If I call a meeting in my district, would you have someone there?"

Hovey: "Sure."

Gaines: "Thank you."

President Partee: "Representative Maragos."

Maragos: "Ah... Mr. Hovey, I would like to ask... at this time, was there any thought given during your conferences when you set up this accelerated budget... of providing seed money for various enterprises which would bring in other economic development, which are not on the books at the present time, or it would help... industry and commerce too ah... construct these various facilities."

Hovey: "The answer is definitely yes... in addition to proposing the money on the Illinois Industry Development Authority, the Bill itself proposes legislative changes that would permit exactly what your talking about."

Maragos: "What... In what Bill of the series that you are going to

as to compare to what taxes they will be paying, to pay this off. Same for DuPage or Lake are ah... any other counties in our State. Are those figures available to us?"

Hovey: "They are... under circumstances where the program admits of a precise answer. For example, in highways, the answer is clearly yes. In E.P.A., the answer is yes but, and the but is... that a district who is on a approved list, particularly in the accelerated program can get off by not being ready for construction. Ah... in another case which is somewhat comparable of that school construction... we really can not... in the sense that we can not tell you whether the Springfield School District will pass a bond levy, which is an condition for participation in that program. So we can give you a list of everybody who is eligible... but we can not tell you who would meet the conditions."

Senator Carroll: "Who will decide... where monies will be spent... will this be left to the legislator to determine how it's to be allocated around the State, or will this be left to the departments without any... accountability to the legislator?"

Hovey: "It will vary by program, and the amount of accountability to the legislator, will be the amount of accountability that you set... For example, you have liked to appropriate University projects, and conservation projects in rather considerable detail, but you've chosen in the case of the Capital Development Board School Construction Projects to have the office of education and the Capital Development Board get guide lines out and review individual projects pursuant to those guide lines, but you choose that by the legislative frame work you create."

Senator Carroll: "Is there anything within the legislation that was introduced that would indicate one way or the other? Has the Governor's legislation indicated whether there should be legislative control... or legislate accountability... or executive accountability?"

Hovey: "The ah... ground rules that we used in perparing the legislation... ah... were to use the same... degree of detail that

FEB 14 1975

49.

you set in the legislation which was enacted for fiscal 75."

Senator Carroll: "Which mean..."

Hovey: "Which means that... where you did not specifically..."

Senator Carroll: "In other words Capital bond... is left the Capital bond."

Hovey: "Right"

Senator Carroll: "Rather than to the legislator ah..."

Hovey: "The C.D.B. higher education project for example, are specifically appropriated."

Senator Carroll: "By ah... the institution I would assume. What about the private one... the private higher ed..."

Hovey: "Ah... the private higher ed, is designed as a grant program... so that everybody who fit the category of being in Illinois, being a private higher educational institution and having Illinois students, would count those students, multiply by two-hundred and that would set the eligibility, and we would need legislation spelling out that formula."

Senator Carroll: "Okay"

Hovey: "Two-hundred and forty."

President Partee: "Representative Madison."

Madison: "Thank you very much, Mr. President. Ah... first of all Mr. President may I respectfully disagree with you, as to whether or nor the question of hiring minorities is germane."

President Partee: "I did not say that and you are characterizing my remarks in a method other than in the way I said them. I would be happy to discuss the matter with you, to debate the matter with you at any time and place that you desire, but this is not the place for that and I'm not going to respond to the question."

Madison: "I humbly apologize Mr. President. Director Hovey, expanding on the question that Representative Gaines raised. What... can you elaborate on what kind of methods ah... what steps you are taking to make sure that ah... well first of all let me say that I would assume... that ah... when the contracts are let... that ah... there will be affirmative action attachment. Is that a fair assumption."

Hovey: "That is a fair assumption."

FEB 14 1975

50.

Madison: "Can you elaborate to us on some of the steps that you're going to take, recognizing that the affirmative action legislation is there... and that the problem has been one of enforcement. Can you tell us what steps you're prepared to take to make sure that that... ah... affirmative action is enforced relative to these programs."

Hovey: "Yes. With respect to the F.E.P.C. contract compliance program, which is where... the basic action is in this area. Ah... we are prepared to enforce, which I think we have done, we are prepared to devote additional staff to... the meetings with the contractors, we already have the contractors as I understand it ah... in the mode of recognizing that they have to do it. Ah... doing it, which shows up in our reports ah... in a form of increased minority hiring, ah... we have not reached the stage where we are talking to enough contractors, thought enough ah... in as much specific detail as we would like, and as I think you know, we're doing better in it everyday."

Madison: "Ah... Director Hovey, you... you've made references earlier in your comment to... the State not having a set aside mechanism. Ah... do you envision a set aside mechanism for minority subcontractors in addition to pushing forward for the hiring of minority employees by the contractors."

Hovey: "I would have to ask Director's Lafavers and Bond... whether the... set... how to set aside mechanism works... in their areas. And ah... I can do that ah... Mr. President if you would like."

President Partee: "Would the Gentlemen come forward please?"

Hovey: "To set aside while they are coming up, I should explain to those of you who are not familiar with it, is the notion that you take a portion of the business that you want to do and you put aside a certain portion of that into a pool and say, this pool is for small business or minority contractors or whatever."

: "To answer your question, set aside programs do work if you do the planning work to analyze the best use, by location... by type of firms and by type jobs. To arbitrarily put any job at random out may not work. In C.B.D. we evaluate all our jobs

FEB 14 1975

51.

and look at those that can be put out in many ways. We're doing some of it without set aside natural form by breaking the job into smaller pieces and consequently smaller firms can... bid the job and compete for that work. Since our program will take some of that money in another fashion and help them, by front ending money, seed money. But it would not be universal at this time, mainly because of the size of the job, if the experience comes up so can the size of the job come up"

Madison: "Sir, have you taken a look at the... at the ah... Federal government set aside eight A... set aside program related to ah... related to purchasing with the small business administration, to see if there could be some guidance from that program in terms of how the State ought to move, relative to that direction."

LeFevre: "Yes, we have evaluated, not only with our staff, but with conjunction with the F.E.P.C. office to look at those programs. And... and see that some of it could be done. But I think it would takes some legislative action to do it."

Madison: "Are you prepared today to indicate to this body... that ah... ah... as it relates to... to... the program that you're talking about... that you will mandate... and not simply request... because it's been our experience that, particularly in the construction industry, the affirmative action program as been pure poppycock, for the most part. It is the cause of the ability of the construction industry to get around the affirmative action program by simply saying we can't find any minority employee, or we can't find any minority sub-contractors. Are you prepared at this time to mandate to... to ah... firms in the construction industry, the requirement for instance, that if necessary... a quota system be adopted to make sure that minorities ah... participate in the construction industry in this area to the extent... that they should participate."

LeFevre: "Not only will ah... we recommend it, but we have... done it, and we are doing it, we have several major jobs in which we have joint ventures... ah... on facilities, some of the largest contracts in the nation, by the way, on the construction management

FEB 14 1975

52.

of jobs are going on in this State through the Capital Development Board. So we are doing it, ah... we have recommend and we will continue to make those recommendations... mandate, if that's the word you want to hear."

Madison: "But where you are doing it, is it solely in the area of joint ventures?"

LeFevre: "On the large jobs, yes, because its difficult for small firm to take on that task in one shot. Unless they get into the background and experience so they can go on and take on the bigger jobs alone. They have welcomed it, and I can put you in contact... at time permitting, with those firms. I think it's the right direction for them, to build up to the bigger job."

Madison: "Thank you, thank you very much Mr. President and again I apologize for my earlier comment."

Hovey: "No violence... I would like to answer that question too, because we are... let me assure you, making a good record here and if there is an idea that allows us to make a better one we would be very happy to."

Bond: "I would like to touch on two things, first our efforts to induce minority contracts into the highway program. Ah... we do not have a set aside program but we have a staff... headed by an engineer, named Clark Leafman that does everything possible to encourage minority contractors in, we find financing, we find partners in joint ventures, if the minority contractors resources are not large.. we do everything possible. Ah... we have some results... and in the six State area, within the Federal Highway Administration, that analyzes it each year, the State of Illinois alone has twice as much as the total amount of dollars of all... the surrounding five States, together.. to minority contractors. That is... and we can improve on that record, but that is ah... is really better than any other State. Now as far as minority hiring, for contractors is concerned, we are also... we operate under a series of hometown plans... and by in absolute terms they may not be perfect, but certainly compared to other States, I think they are outstanding. For example, in the East St. Louis area we have a program supervised by

the Urban League, which the Governor introduced and worked out, which has provided now more than 20% minority hiring, under an agreement... in our jobs in the East St. Louis area. But I would have to advise you, that our whole minority hiring program is now under serious threat... from the Federal Government, because the Federal Government has... has its own minority hiring F.E.P.C. requirements... which they are trying to impose on us because ours are not uniform with Federal requirements. And those Federal requirements are lower than those that we have successfully introduced in the State of Illinois, and which worked and which have been accepted by the unions and contractors, and we are now in court... fighting a suspension of all our highway and all our airport contracts from the Federal Employment Practices Commission. And I think it's disastrous action on the part of the Federal Government and we are going to fight it in court, and are continuing to do so now."

President Partee: "Thank you very much. Representative Lauer...

Senator Nimrod, from Representative Telcser seat."

Senator Nimrod: "Ah... thank you, ah... Mr. President and Mr. Speaker.

Director ah... I would like to kinda follow up on that meeting that we had last week and just on one particular subject, and you did mention today that ah... you felt that there could be about a million dollars in bonds that could be sold over the next year. Do you re... recall ah... as I recall it, that particular meeting that the... all most all of the economist, and I think yourself, said that if bonds were sold or jobs are brought about after... that one year and it did turn around, that this would be inflationary. Ah... do you still agree to that?"

Hovey: "Ah... two comments. What we would expect to issue... ah... is on the order of five-hundred to seven-hundred and fifty million dollars, bonds for the whole program and the normal program in fiscal 76. Six-hundred to eight-hundred in 77, in terms in the economist comment at that session, ah... it is true in a text book sense, that if you use totally unemployed resources... that is, if nobody's working before you hire them, that you do not have an impact that would be inflationary. Too, the extent that you do,

you are by definition, part of the total demand in economy, and any increase in total demand is by definition inflationary. That doesn't mean that it's the wrong thing to do... but if you go out and buy a package of Life Savers, it is inflationary, in a sense that there will be more upward price pressure than you did not, in that sense I agree."

Nimrod: "Well, is it ah... from your comment, you're talking about some five-hundred to seven-hundred million now... and then the following year, and that will be two years actually, the other seven-hundred million or five-hundred million... your program calls for 4.2, as I understand it... ah... that would take you three years by the time you got around to it. Ah... and just let me kinda summarize.... it's seems like this whole program, seems to be in vain. Do you now, does the administration now have authority... without coming to legislature, to go ahead and send two point, one billion in bonds or some amount to... to... sell bonds right now for same... some of these programs that your talking about in these Bills."

Hovey: "Yes, for a portion of the school construction program... anti pollution bonds, supplemental freeways for an example."

Nimrod: "How... how much is that in bonds approximately... how much are you talking about?"

Hovey: "In... terms of currently authorized amounts. The currently authorized ah... general obligation bonds of the State of Illinois for all purposes, two point nine... nine billion dollars. Of that, approximately one point five billion, is committed. That is, it is either spent, or you have appropriated it and we are pursuant to your appropriation, working on the specific project. Ah... that means in some cases, such as the E.P.A. case, we are not asking you for additional bonding authority we are simply asking you for appropriations to use the existing bonding authority."

Nimrod: "What you're... what you're saying then, there is right now, authorities for one point five ah... billion ah... dollars in bonds ah... to go ahead and move without any authority at all except for the appropriation... ah... if that's the case your

FEB 14 1975

55.

already committed without any other further authority from us except appropriations for the next two years... on your existing programs."

Hovey: "Ah... that would be correct except for the fact that we cannot shift among bond funds, so the fact that we have additional unused bonding authority for the supplemental freeways does not allow us for example, ah... to provide bonds for corrections or children and family services."

Nimrod: "Would you then say that we ought to shift that authority or should you want some additional authority."

Hovey: "The way that you have normally operated, and I think appropriately so, ah... you have provided additional authority where it was needed ah... but have not cut back unused authority on the theory which is obviously correct, ah... that sooner or later you will be using the authority that exists."

Nimrod: "All right, the... getting back to the original question then if you can only sell off the million or million and half, why are we being concerned with the total program when we should when we should only be concerned, which that will only affect us for the one year period. Because since you have.... instead of your own ah... ah... statement, you can not sell more than that on the market in one year."

Hovey: Well... the program that you should be concerned with, is... an accelerated program involving a billion dollars in bonds... appropriations, and expenditures, which give rise to the numbers that I was using before, in addition you are concerned with the revenue bond programs that do not flow through the State's Budget, which are part of the accelerated program. The other two-billion is simply the normal State Construction Appropriation, and includes, as all of you know... a large amount of money that does not spend any particular year. For example, if you appropriate a segment of the supplemental freeway, ah... while the appropriation is for the total cost of the segment, the spending during the year and the bond authority that we need will relate to what can be done on that segment in that year, which is much less than the total."

Nimrod: "Then we're really only talking about a one-billion dollar for

FEB 14 1975

56.

now and the size of normal appropriations that we would be faced with anyway."

Hovey: "That's right, that may be an easy way to think of it. Think of it as..."

Nimrod: "Number three, along that same line, would the administration then support the hiring of if... for their employees for people for jobs to be created, would they support hiring for those kind of jobs that you said before, that would relieve the market, the kind that could be hired from ah... from industry to the road building, would you support hiring first... those people who are unemp... drawing unemployment compensation in the State of Illinois."

Hovey: "We considered that ah... as we developed the program, ah... both with respect with recipients of Public Aid and with respect to those who are drawing unemployment compensation. Now we finally concluded that... we didn't necessarily want to create the inequity that we felt that we would create by doing that, if you have two construction workers, one of whom is going to be unemployed next, when he runs out of work, one who is unemployed this week ah... the question is, does it make any real difference ah... if we hire one rather than the other, because one of them are going to end up unemployed anyhow. And we decided that there would be considerable amount of paper work associated with that and it really wouldn't solve the problem that you're trying to address with it, so we decided not... to do that. Now we would be happy to discuss that at great length in hearings because it was a close question for us."

Nimrod: "It seems to me that you would be introducing employee from out of the State, number one, and that you would never be hiring those who are unemployed because their work would not call for it. The ah... whole program, I think was one that was decided now for some immediate action, but certainly not be projected for more than one year or six months, without looking at it again to whether we should go ahead in light of what would happen to the economy."

Hovey: "We very much agree with that statement."

Nimrod: "But the ah... other thing that I would like to ask you, is what is the bonded indebtedness per capita, in the ah... Illinois now?"

FEB 14 1975

57.

Hovey: "Ah... current Illinois bonded indebtedness per capita is roughly, a hundred and ten dollars of ah... general obligation in equivalent bonding."

Nimrod: "What would the bonded indebtedness be... if this four point two billion... ah... were sold off here and ah... within the next year, what would the bonded indebtedness be per capital for the citizens in the State of Illinois?"

Hovey: "If I start from the four point two billion, it's not a computable number as I mentioned earlier. Ah... going out to 1980, which gets essentially everyone... gets everything in the accelerated program issued ah... the bonded debt per capita, of general obligation or obligation equivalent debt, would go to somewhat over two-hundred dollars which is still below New York, Pennsylvania for example, which are over three-hundred now."

Nimrod: "Well, I... don't think we could compare ourselves with New York or Pennsylvania at this particular time. When you're starting from nothing... and going up to a figure ah... you don't go start with a state that's been mismanaged and has it's problems that it does and compare us with them, ah... at this particular time. And that's why I think we have to look twice here about doubling... the total indebtedness is what we're talking about ah... practically doubling the total indebtedness per capita... under the present program that you suggest. Thank you."

Hovey: "That's correct, while it's doubling remember that it's quite a well number."

President Partee: "Representative Lauer."

Lauer: "Director Hovey, ah... we have to look a little bit beyond the implication of ah... this bonding and the expenditure of ah... the bond funds, beyond the borders of the State of Illinois. Ah... what would be the impact upon the national economy, especially since the President has proposed a budget which would reflect a fifty-two billion dollar deficit. This is additional deficit spending."

Hovey: "You mean, what would be the impact ah... in the capital markets in the bonds or in the real world on the projects?"

Lauer: "I'm talking about ah... the total real world, that is inflation..."

FEB 14 1975

58.

cum value of money, cum... value of products ah... we receive for the money spent."

Hovey: "The real world impact of the program in terms of employment and inflation view nationally, is that you would have a net add to total employment of the jobs created by the program, and about as many jobs again... another thirty-thousand or so, in indirect employment. Stimulated by the fact that people obviously spending their money after they... have it. Other things being equal in that, and I think we all agree, would be good from a national economic prospective. Ah... with respect to the debt, it was interesting that at the economic and fiscal hearing that several members have referred too, ah... there was rather total consensus... that during the period when private capital ah... demands are down because of recession, and in the period immediately following that, because they are not under construction... the capital markets can finance, not only State obligation debt ah... but the debt being created at the Federal level, our billion dollars in general obligation are a two-billion total in the accelerated program are of course a drop in the bucket when compared to the Federal Government's fifty-nine billion... billion."

Lauer: "Is it not a case Director that we have a general multiplier of, be conservative, say ten... and that ah... adding to the proposed Federal deficit of fifty-two billion... we add additional four-billion that we ah... increase the... the total expansion of ah... of spendable demand, for a very short time to... from five-hundred and twenty to ah... five-hundred and sixty billion dollars... in potential multiplier."

Hovey: That's correct, that's exactly the impact that you are trying to have, if unemployment is your problem... ah... creating additional demand is your solution."

Lauer: "Ah... Director do you see... perhaps that we might be in a situation that is analogous ah... to the recession of ah... the late fifties and early sixties... and by over-reacting ah... we sow the seeds of the inflation that we are presently ah... bearing and that quite conceivably, especially with the State getting into

the act, as well as the Federal Government, that quite conceivably sowing the seeds of, not only a bad inflation, such as we have now, but a super bad inflation... in a very few years."

Hovey: "There is no question but what, as a Federal policy matter, ah... running a deficit on the order of sixty-billion dollars a year, can catch up with you very quickly in terms of expanded demand and alternately inflationary pressures ah... as a Federal policy that's obviously true, is it? As a State policy you're not talking about having that... kind of impact ah... what you're also talking about, which distinguishes us from the Federal Government... is what the Federal Government is doing with it's debt, it is financing on going programs, the value of which ends at the end of the fiscal year when the programs end, and that's where it's debt is going. Where our debt would be going is in the physical assets... that provide service overtime, we're not doing ah... run a deficit to stimulate the economy thing, we're doing ah... build real schools... build real highway thing..."

Lauer: "And create real jobs... which is a money pumping phenomenon, is it not?"

Hovey: "That is exactly right."

Lauer: "Ah... then do you think that it is wise policy for a State... to get into the act that the Federal Government is already... ah... perhaps over reacting too.?"

Hovey: "Well..."

Lauer: "Especially if you consider not only the impact of Illinois doing it, but also of New York, Pennsylvania, California and ah... several of the industrial States."

Hovey: "If the Federal Government, by it's own projections... is going to tolerate a 8% unemployment rate this year, and a 7.9%... unemployment rate the following year... somebody better do something. In other words yes."

Lauer: "So that you would...then choose an inflation over recession, or perhaps both.?"

Hovey: "The classic ah... way to deal with this, for those who have been in economics is something called the Phillips Curve, and the Phillips

FEB 14 1975

60.

Curve says there a trade between unemployment and inflation, such as anything you do... to reduce unemployment, cause you to have more inflation than you otherwise would... and anything you do that cuts down inflation increases unemployment, which is the quandry at the Federal level at the moment. Ah... at the moment we are at the point, in unemployment, where I think it is appropriate for us at the national and state level, to pursue policies to attack the unemployment problem."

Lauer: "And... in essence then to pass the problem on ah... to another generation or another administration in future years?"

Hovey: "If you do nothing you also pass along problems... ah... you pass along a lower real activity, in the private sector, less income, less production of goods and service, and in the public sector, less schools and less highways."

Lauer: "Thank you, Director I think you have proved my point."

Speaker Redmond: "Representative Walsh."

Walsh: "Director your response to one of the earlier questions was that you did not anticipate a tax increase, but you qualified that by saying that if we ah... in affect, moderate in our... expenditures in the areas of Public Aid and School Finance there would not be a tax increase. Let's assume that we meet our obligations to the existing school formula... and that we meet our obligations in the area of Public Aid, with perhaps increases to recipients reflecting increases in the cost of living, and that also we meet whatever construction obligations there may be over the next few years that are not forseen in the Bills that your offering. Then would we have a tax increase, and in your opinion, how high would that be. One further comment before you answer and I... am not going to be nearly as windy as Senator Glass... It seems to me that in your capacity, as Director of the Bureau of the Budget, you have an obligation to the legislature to completely inform us and not just appear here as an adequate... why don't you point out to us what some of the pitfalls of this tremendous project might be... and ah... completely inform us."

Hovey: "With respect to the first question, which I'll repeat for those

of you that did not hear it. The question was, can the State meet its obligations to elementary and secondary education as represented by the current State Aid Formula, that is full funding of that formula, provide a cost of living increase for Welfare recipients, provide for the construction obligation under the accelerated program and still avoid new taxes? The answer to that question is clearly yes... with respect to the second questions which is, ah... would I think of arguments against the program ah... the way that we have structured, rightly or wrongly, ah... the office which I hold... is as an office, that is the Budget Director to the Governor of the State, I'd be happy to share ah... kinds of things that have been brought up... ah... in terms of ah... argument. The most interesting but perhaps... less persuasive, in terms of your own policies, is the question of the extent which the State involves itself in something that might do good... ah... in national economic terms, and one side of the thing is that we should leave it to the Federal Government, ah... the other side which I find persuasive, is that if we are doing things that we can afford and should do anyhow, we can at least be helpful, because States frequently ah... end up in the position of begging what the Federal economist call proverse in the business cycle, which is basically doing the opposite of what the Federal Government is doing... the effect is not that large, but it's sufficient."

Speaker Redmond: "Representative Walsh."

Walsh: "Then your answer to the questions on whether there will be or must be a tax increase is yes..."

Hovey: "No... no my answer was definitely was no."

Walsh: "Well, I understood you to..."

Hovey: "No tax increase, ah... your question I thought was, could we avoid a tax increase,? My answer to that question was "yes".

Walsh: "That, but based on adhering to the formula that we presently have with the increase funding for ah... ah... elementary and secondary education, and also the anticipated increase assuming that the ah... unemployment stays at the present level, and

unemployment benefits ah... ah... stop, and these people must go on public aid.... and that there probably, if the inflation continues, that there will be increases ah... to those people for cost of living in their public aid benefits. Now assuming those things... and with this project, plus whatever things that may come along, especially in the area of capital improvements that are not anticipated now, but could understandably come up such as coal gasification came up out of the blue a year ago... we had no idea that there was any such thing, but we found ourselves getting into a bond program of several hundred, million dollars, for that project... and we... there certainly must be something else that we ah... will come up that this program doesn't contemplate, now can you reasonably say as an economist... that we will not, or probably will not under those circumstances have a... a tax increase."

Hovey: "Yes, I can reasonably say that we will not, under those assumptions, but... ah... you gave me another assumption in that question that you didn't give me in the first one which was, all the other things that might happen ah... now it is obviously possible for anyone sitting in this room to contemplate an array of State programs, that he might find supportable, that would add in total to substantially more than the States revenue increase, in any given year. Some members on the other hand may add their total to less than the revenue increase, depending on therefore, whether they are for new programs and so on... and that's obviously true. It was true last year, it was the year before, it was true in 1910. That you can think of a lot of things that you might want to do that would cause a tax increase and that you can think about a situation as I clearly can... ah... that allows you to do the kinds of things you were talking about in your question and not have a tax increase."

Walsh: "Well I respectfully disagree."

Speaker Redmond: "Are there any other questions? It doesn't appear that there are any other Members that desires to interrogate. We will excuse the witness."

Hovey: "Thank you, Mr. Speaker and Mr. President."

Speaker Redmond: "Representative Geo-Karis."

Geo-Karis: "Is Mr. Bond here... Mr. Lafever here? I would like to

direct the questions, two parts to both of these gentlemen if I may? Under this proposal that ah... Director Hovey enumerated... the anticipated jobs are about thirty-thousand... it seems to me that these jobs are strictly in the construction field. I understand that we have over two-hundred and ten-thousand people in Illinois, unemployed... they are not all in the construction field... the good majority of them are not. Now Mr. Bond and Mr. Lefever... Mr. Lefever you're with the Capital Development Board, right..."

Lefevers: "Capital Development Board."

Geo-Karis: "All right, you have... don't you have appropriations to ah... for construction of building State buildings under the State Capital Development Board that will bring in a number of jobs, quite a few."

Lefevers: "For the construction you mean?"

Geo-Karis: "Yes."

Lefevers: "Yes."

Geo-Karis: "About how many jobs are anticipated under your programs, the program that we already passed in this legislature that have not been either started or completed?"

Lefevers: "How many jobs?"

Geo-Karis: "Approximately, yes."

Lefevers: "I have not analyzed, I can't analyze how many jobs would be for each of those jobs."

Geo-Karis: "Well, can you give me a dollar figure in round figures, approximately how much money you feel that is available for your Capital Bond Development... for you Capital Bond Development... Capital Development Board rather?"

Lefevers: "As requested now you mean... or..."

Geo-Karis: "Yes, just a round figure."

Lefevers: "I will have to defer that to Hal Hovey, who..."

Geo-Karis: "Is he still here... if he is still there, maybe Mr. Hovey can answer this... how much money do you have appropriated up to now, approximately... for ah... construction which will entail jobs."

Lefevers: "The State appropriation last year was for four-hundred and eighty-eight million dollars. The State portion, but not all of that is construction, ah... there is quite a bit in land... equip-

FEB 14 1975

64.

ment... and many other things, planning, engineering ah... which would dilute that number."

Geo-Karis: "Yes, but that would still entail some jobs, wouldn't it?"

LeFevre: "Oh yes, and they're all working... the problem now is the State amount of work has not been able to... to turn around... the unemployment, private sector is out and putting many... many people in the streets, far faster than we have jobs out there."

Geo-Karis: "All right. Now, the other part of my question, and I will summarize it when I finish with Mr. Bond... Mr. Bond, we passed appropriations the last two years... for highway construction and any number of things in that order, ah... how many jobs would you feel were entailed in that alone?"

Bond: "I just can't answer, how many jobs were entailed in the entire appropriation, or in our road program."

Geo-Karis: "All right, let me ask you this, do you have an approximate amount of how much was appropriated for your department?"

Bond: "The ah... appropriation Bill, counting the appropriations and re-appropriations and our operational budget in total was two point one-billion dollars."

Geo-Karis: "In other words you have two-billion point one dollars... two point one billion dollars, is that correct sir."

Bond: "That is... that is of course the Illinois Law requires, and rightly so, that obligational authority which is contract authority be appropriated, and that number is quite different from cash flow."

Geo-Karis: "All right. What I'm driving at Mr. Bond is this, I'm not trying to be controversial... but we've passed a number of road building programs in the last two years... nothing has been done to complete them, why can not we use those funds that have already appropriated instead of piling more debt... more debt, to complete the projects for which you have already been authorized."

Bond: "I think I understand what you mean now. In developing the accelerated construction program here, we felt that the legislature would prefer... that series "A" bonds, which are interded for the supplemental freeway, remain in that category and that we... we ah... create additional series "C" category of highway bonds for improvements of the primary and secondary system. If the legislator

FEB 14 1975

65.

were to change it's mind and authorize the use of series "A", which for this purpose that could theoretically at least could also be done, but it is my clear reading of the intent of this body that, that not be done.."

Geo-Karis: "Well, as from what Mr. Lafevers says, and what you say, there is approximately two and a half billion dollars... available to your various projects, which it certainly engens... ingenerate close to thirty-thousand jobs, the thirty-thousand jobs anticipated by this four-billion dollar program, which Mr. Hovey enumerated, are only approximately 10% of the entire... work force that's out of jobs right now, and it's centered more on construction, where there are an awful lot of people in Illinois that don't do construction work and are out of a job, and I submit that your program does not take care of the bulk of the people that are needed... that is needed. This is... is where I'm driving at."

Hovey: "This is obviously true, by the nature of the program, that it is focusing on construction. Ah... that is the thing on which we think we can best focus, where the results are the results that we think that we most need. It will have an impact, the Chamber of Commerce for example, intends to use a multiplier of one, by which they say, for every job that you create in direct activity, that wouldn't otherwise take place, there will be at least another job that will be found somewhere in food service, in sales, in grocery stores and drug stores ah... in service occupations, in school teachers, etc."

Geo-Karis: "I submit Mr. Hovey, then one of the things that have been lacking... first of all we are involved in fiscal control, and you are involved with that directly, are you not sir."

Hovey: "Yes."

Geo-Karis: "I submit that we should probably have an accounting to the legislature, every two months, just how much is being done with the money that has been appropriated for the various projects because we've been sitting on, and I hate to see them used as political footballs."

Hovey: "Those reports are available now... ah... it's in the reports that we generate in the department of finance and the cumptroller

FEB 14 1975

66.

presents ah... those are available to you and used by your staff, what they show is exact expenditures and obligations against ah... individual appropriation items... like if you appropriate so much for supplemental freeways, the accounting system will track... where that is, at any given point and time, so we can and do make that available."

Speaker Redmond: "Representative Lauer."

Lauer: "Ah... for Mr. Bond. Secretary Bond is ah... the widening and resurfacing programs in the highways of the State, ah... are these on your secondary highways."

Bond: "Primary and secondary."

Lauer: "Primary and secondary, ah..."

Bond: "And some ah... the States unmarked routes which ah... are even lower category."

Lauer: "Are any of these programs ah... analogous to the ah... various line items that the Governor vetoed out of the D.O.T. appropriation Bill last time and called pork barrel."

Bond: "The Governor's vetoes, as I recall, were primarily for supplemental freeway, and the answer to that is 'no'."

Lauer: "Well ah... I'm sorry to respectfully disagree with the ah... but ah... I recall the specific amendment that was put into the D.O.T. Bill, calling for an expenditure of about nine point one-billion dollars, for widening and resurfacing of three secondary highways... specifically, Route 10, Route... U.S. Route 136 and Illinois Route 9, which the Governor veto out and did call pork barrel. And that has been less than three months ago, so I would... four months ago..."

Bond: "I will certainly check to see if the to overlay... if... if it is a project that was vetoed out, then I will apologize to you."

Lauer: "Thank you, Director, ah... I hope... I'll amend those into that Bill again this year and expect them not to be veto out."

Bond: "If we say we will do them, you'll get them."

Lauer: "Mr. Speaker, a question ah... for Mr. LeVeure."

Speaker Redmond: "Mr. LeVeure. Representative Bradley."

Bradley: "Thank you, Mr. Speaker and I can reply to my colleague... ah... Representative Lauer... in behalf of the Director of ah... in regards

66

FEB 14 1975

67.

Route 9, that they have assured me that is in their plans for to, for completion, in the calendar year 1975, which you and I will be very happy so that nine, from Bloomington to Gibson City, I'm sure is to be widen and resurfaced and some property has already been purchased to straighten it out... and ah... I'm very thankful for Department of Transportation for taking care of that ah... piece of road for us."

Lauer: "To my good colleague, Mr. Bradley... I would say that's very fine for the people that travel Route 9, but it doesn't help those that travel 136 and Route 10... also in our district."

Speaker Redmond: "Do you have a question... Mr. Lauer."

Lauer: "I have a question for ah... Mr. LeFevre. Ah... Mr. LeFevre... what would you say the time lag has been over the last year... between an approval of a ah... capital project, in for example, higher education as approved by your agency... until the actual release of funds, by the Governor."

LeFevre "Traditionally ah... after the Bill is passed from the Legislature and signed and sent over to the Governor... ah... that usually takes a month, depends like last year it took more time... The request comes from the use of themselves. Ah... after they have that commission to request that they... come to the Capital Development Board when they have their program statements... in the position to give to an architect to design it. And that is varied anywhere from two months to this point in time this fiscal year we still don't have them all in."

Lauer: "My question, Mr. Lafever is this... ah... some of those requests came and ah... were approved by C.D.B. but were blocked by ah... the Director of the budget and the Governor apparently... and I was just wondering what the time lag was... between the approval of the Capital Development Board, and the actual release of the funds so that they could be expended by the using agency... ah... in the Governor's office."

Lafever: "I ah... know of no blockage in that sense of something that was stopped without the agreement of the Board of Higher Education, or the State Junior College Board. We indeed have some jobs that are not proceeding, because all parties being D.O.B., ah... Junior College"

College Board in the case if their involved, or B.A.G. have agreed... not to proceed on certain jobs, ah... because they are not requesting the additional funds to complete the following year, and maybe not for two years. But normally it takes... oh, anywhere from two weeks to a month."

Lauer: "I can think of ah... of ah... a delay on Brookens Library at Sangamon State University, that ah... came about because of ah... the withholding of funds, and also on the Public Affairs Center."

LeFevre: "Ah... that's an interesting one because there was a lot of research to do, and I believe the Director could probably fill you in more of the details... however, gentlemen, I did continue... with that job, although the piece of paper persé did not flow out, and I was in agreement with the Director of the Bureau of Budget...."

Lauer: "I... I realized that there was a bankruptcy problem also ah... that was perhaps involved in that to some extent."

LeFevre: "That was part of it, but also that's a fairly complicated job where you have mixed use... and that was part of the research that was going on. But the job is continuing and we're on schedule, we phased it, and that job is on schedule."

Lauer: "I'm sorry, I was thinking that they were suppose to move in to that building in February of this year and ah... somehow or other, I don't think they're going to make it, for quite some time."

LeFevre: "Well, they were not scheduled to move in, February of this year, based on the appropriation they had... and their plan even considerably before that, but it didn't come out of legislature that year. And so, that was pushed back, but we are proceeding on that job it's under construction and going..."

Lauer: "We can be assured that ah... Capital Development Board... and B.O.B. will facilitate the ah... release of funds, because we can appropriate money till the hou... the cows come home... and until you all spend it, it doesn't really get into circulation."

LeFevre: "I agree."

Lauer: "Okay, Mr. Speaker I apologize for speaking twice but I... I was thinking that we were taking each witness in succession and... and not taking them as a team."

Speaker Redmond: "Representative Cunningham."

Cunningham: "Thank you, Mr. Speaker and I too would apologize for the same reason that's given by my esteem colleague. I would like to ask a couple questions of Secretary Bond."

Hovey: "While Secretary Bond is coming forward I might say that there are a couple, and there aren't that many ah... of situations in which the Bureau of the Budget has held a particular capital project for a very long time. Those however intend to be rare, and they are circumstances where there is considerable difference of opinion on the project."

Cunningham: "Now, Mr. Secretary the Director in an earlier question replied that... in excess of four-hundred million of the six-hundred million authorized in the Highway Act of 1969 had been ah... either sold or ear marked for sale on the freeway program throughout Illinois. Is there anywhere in the State of Illinois that you have a mile of it under construction for the actual pouring of the concrete out of the original program of 1900 plus ah... miles."

Bond: "Oh yes, as a matter of fact of the original 2,000 miles of supplemental freeway approximately, 200 miles are open to traffic."

Cunningham: "And in the 54th district, which is twice as big as most of the other districts, bigger than any other district in the State of Illinois, is there a single mile anywhere that has ah... at the design stage, which is the second stage in development program."

Bond: "Well I... well I would think all of it is in the design state, but not all of it has had design approval."

Cunningham: "Well has... let me rephrase my... I'll be germane about this Mr. Speaker, and I appreciate your never failing graciousness and I have become your number one fan in this House. Now ah... Secretary Bond let's be a little more specific, is there a single acre... is there a single mile... in the 54th district where the design stage has been approved?"

Bond: "I don't believe there has."

Cunningham: "You know that there hasn't and we have an excess... we have an excess of 200 miles outlined in our district, and yet you say, that over 200 miles of the original 9th program or one over nine percentage has been done, so by the same arithmetic we're entitled of 28 to

20 miles wouldn't you agree with that."

Bond: "Well if I had druthers, and if we were not ah.. constrained by the hard hand of the Federal bureaucracy, I would like to see all of it in your district open, Representative Cunningham."

Cunningham: "Now is there anyway this proposed bond authorization can expedite the freeway program, in the 54th district of Illinois."

Bond: "The proposed bond program will primarily be a benefit to your district because of the improvement to the prime area and secondary system that are there, and which I know that the taxpayers and voters are very interested in. The supplemental freeway program continues as an independent entity, and I believe legislative would prefer to have."

Cunningham: "But Mr. Speaker, the prior administration fixed the primary and secondary system, ah... so far as it exists... now is there any... answer my direct question, is there anyway that this program could help the freeway program in our district." "

Bond: "I don't believe this program will do anything for the freeway program in your District."

Cunningham: "Would you be opposed to an amendment of the program to provide an incentive... or some impetus ... to the freeway for the 54th. With an amendment to the bond proposal."

Bond: "I don't... I can't conceive Representative Cunningham, how it could... how an amendment could accelerate Federal regulations in environmental impacts statements ah... Federal Court decisions that are... that are affecting our progress on that part of the program."

Cunningham: "Is it the department position that funds are available and all that's holding up is the Federal system?"

Bond: "At the present time, we have not exhausted our bond authorizations, ah... the manmade constrains, largely emanating from Washington, that coupled with citizen suits, is what is constraining our progress on the supplemental freeway system."

Cunningham: "Thank you, Mr. Secretary, the Speaker is about to shut off my microphone, but we want to talk again, you and I about this."

Bond: "I always enjoy it Representative Cunningham."

Speaker Redmond: "Gentlemen from Tazewell, Representative Tuerk."

Tuerk: "ah... Mr. Speaker, let me correct you, I'm from Peoria County, not Tazewell. Ah.. perhaps this has been answered and if it has I am sorry for the repetition but... back in my home area, we're embarking on a substantial school... construction program. Now to what extent will this program assist that, in terms of specific dollar..."

Hovey: "In terms of specific dollars, your school district... has been working with the current capital development board guide lines and cost sharing formula, in that there is a percentage share that your school district would pay. That will be reduced under the program by 25%, so if they were to pay 50% of the total cost before... under the accelerated program, they would pay 25. In addition many school districts in the State, have been in the position of competing with other school districts for limited funds available to the Capital Development Board, by a major infusion of dollars into that program ah... the chances of being approved by your school district, go up by a factor of something like six."

Tuerk: "Well now, is there... are there stipulation which require referendum or referendum for... for example, if we were to embark on this program it would have to be passed by local referendum before it could participate in State funds?"

Hovey: "A school district, finding itself in a position where its currently approved capital funds... were insufficient, would be in the position where it would need to raise, its local money, by bonds... by new bonds, and thus would need a referendum to come up with a local match."

Tuerk: "Thank you."

Hovey: "The amount would be lower under the new program, but there would still be need for a local match."

Tuerk: "Now let... let me ah... pursue another course here and get a little more specific, I know that various members... have eluded to this, about the unused bond funds in the various programs. For example, in fiscal 1974... there was over a billion dollars appropriated for the

FEB 14 1975

72.

various programs and I note by the information that I have that some... hundred-ninety million of that has been spent. Now... recognizing the fact that over eight-hundred million dollars is available to be spent on various project... what is the real need for further bonding. Now I know that we've talked about this all afternoon, but I'm confused and therefore need an answer to that question."

Hovey: "The... situation, and I can probably best illustrate, by using the School Construction Program, that we were just talking about. There are a number of school districts, who have received approval from the Capital Development Board, to go ahead with the school, those schools are being built and we at the moment spending a sufficient amount of money on them, why are we not spending a sufficient amount of money, because we asked the local to put their money up first, then we pay ours, so we pay for the later phases of construction. What we cannot do... and you do not want us to do, is to take away money from that school district which is physically building the school, on the grounds that it hasn't spent it all yet, and apply it to some other school district. So, and I have detailed tables that are being made available to staff on each bond fund, but in many bond funds the situation is... that we would not be able to make new commitments of the magnitude that we have proposed, because we have many prior commitments of those funds to other school districts or other water and sewer projects... even though the districts will not have spent all of the money yet."

Tuerk: "Well... what would be your appraisal of when those monies would be spent?"

Hovey: "That varies by program... and we can provide that in any level of detail that you would like. Ah... for example, in the school construction program... the time between the commitment of the State to a project, and the expenditure of the State's share of funds by the districts is quite long, ah... like three year, I'll guess, and in hope that Don will correct me if I'm wrong. Ah... but you can't spend the same dollars twice... so if you give us a bond authorization and we commit it to school district "A", that

ties it up... and if you only gave us enough bond authorization for that one school district then it would come back here, to you and ask you bond authorization for school district "B", and you could valiantly point out to us that we had expended nothing... on school district "A", but we would still need the bond authorization."

Tuerk: "Well... I'm further confused by the fact of your explanation there, which says that your projecting these projects out, three and four years... in order to fill the present authorization, and then we're going to authorize further bonding which would then probably take another two or three years, and yet the complete objective, as I understand it, for this new program is to help solve the unemployment situation this year... and that confuses me further."

Hovey: "I deliberately choose the longest lead time example, but let's take the school construction program. Ah... a district applies in a period with a cut off date that is in the Bill, and I have forgotten what that is, but they apply sometime this spring. They get an approval from us and then they do something right then, if they have the design for the school, they can bid it... if they don't they hire an architect... that happens immediately then as soon as they are ready, they contract for the building... and are actually spending money, but the progress payment should pay a contractor, lagged behind his completion of work, obviously we wouldn't want to pay him for work that they haven't done. And the State's payment doesn't come until the tail end of the construction project... so the impact on the economy starts with the hiring of the architect, or going out for bid on the project, the impact on our cash flow appears occurs on the tail end of those kind of projects."

Tuerk: "Well, let me just for a moment go back to my own ah... first example of the school building projects in Peoria. Now assuming for a moment that we don't have the money to complete those projects, to what extent will this new bond program will assist us."

Hovey: "If it is a currently approved project... that you already have

under construction... and you haven't..."

Tuerk: "It is not."

Hovey: "Okay... if it is a new project ah... it will help you by providing, I would guess for Peoria... on the order of 60%, of the cost of the new construction."

Tuerk: "Thank you."

Speaker Redmond: "Are there any other questions? The witness will be excused.... Representative McPartlin desires recognition for the purpose of, moving that the Joint Session do now arise. All those in favor signify by saying "aye". Opposed "nay". The "ayes" have it and the Joint Session will arise. We will now reconvene the regular session of the House... On the Speaker's desk there is Senate Bill 38. Recognize Representative Craig, for the purpose of moving it to the Third Reading... Oh pardon me, it was on Senate Bill, Second Reading, I'm in error."

O'Brien: "Senate Bill, 38. A Bill for an Act to amend Sections of the Anti-Pollution Bond Act. Second Reading of the Bill, no Committee Amendments."

Speaker Redmond: "Representative Craig."

Craig: "I would like to advance it to Third Reading, any amendments from the floor... Third Reading."

Speaker Redmond: "Representative Shea."

Speaker Redmond: "Agreed Resolutions."

O'Brien: "House Resolution 46, Bradley. House Resolution 47, Kucharski. House Resolution 49, Lemke, et al. House Resolution 52, Mahar, et al. House Resolution 54, Catania, et al. House Resolution 55, J. D. Jones. House Resolution 56, J. D. Jones. House Resolution 57, Tipsword, et al. House Resolution 58, Lafleur. House Joint Resolution Number 8, Madigan. House Joint Resolution Number 11, J. D. Jones. House Joint Resolution Number 12, Palmer, et al."

Speaker Redmond: "Representative Shea."

Shea: "Mr. Speaker, Ladies and Gentlemen of the House. House Resolution 46, congratulates and commends Dr. Miram Gray on her long service and deep interest in the Civic and Physical Fitness benefits to be derived from the dance, as part of Physical Education. House Resolution 47,

FEB 14 1975

by Representative Kucharski, et al. Commends Mr. & Mrs Eugene Michaels upon their twenty-five years of life together and congratulates them on the celebration of their 25th Anniversary. House Resolution 49, by Representative Lemke, et al. Commends and Congratulates Edward T. Allen on the completion of more than half of a century of Scouting. House Resolution 52, Representative Mahar, et al. Commends and congratulates Dr. Melvin Meyers upon his completion of a quarter of a century as Police Chief and Police Officer of the Village of Homewood. House Resolution Number 54, Representative Catania, et al. Ah... respectfully commemorates the the 151st Anniversary of the birth of Susan B. Anthony, and this eve of our 200th Anniversary of the founding of the Republic, and I would ask the Clerk if he would read House Resolutions, 55 and 56, in full."

O'Brien: "House Resolution 55, J. David Jones. For as among the familiar faces missing from the 79th General Assembly, one of those most missed, is that of Virginia Jiggs Rhules who recently retired, after many years of faithfully and devoted service. Is a key employee in the office of the Clerk of the House of Representatives, and whereas the courteous, efficient and cheerful manner in which Jiggs Rhules performed her important duties in the Clerk's Office, through the years have won the respect and admiration of all... you were privileged to know her, therefore be it resolved that the House of Representatives of the 79th General Assembly of the State of Illinois, that we express to Virginia Jiggs Rhules our sincere appreciation for her years of faithful service to the House of Representatives, that we extend to her our best wishes in her retirement, and a suitable copy of this Resolution be presented to her.... House Resolution 56, J. David Jones. Whereas the careful, exciting and arduous work of Enrolling and Engrossing Bills is a necessary and vital phase of the Legislative process, it is virtually unknown to the general public and too seldom recognized by most Legislators, and whereas more years than she probably cares to remember, this important function was in the capable and the uncomplaining hands of Emma Joe Rodems whose period of service extended from the 58th through the 78th General

FEB 14 1975

76
J.T.

Assembly. And whereas, dedicated and untiring efforts of Emma Joe Rodems, to those that have worked under her direction through the years, have been an indispensable part of the work of this House, therefore be it resolved, by the House of Representatives, the 79th General Assembly of the State of Illinois, that we express our heartfelt appreciation to Emma Joe Rodems, for in many years of faithful and dedicated service as, Enrolling and Engrossing Clerk of the House of Representatives that a suitable copy of this Resolution be presented to her with our sincere best wishes."

Speaker Redmond: "Representative Shea."

Shea: "House Resolution 57, congratulates Miss Anette Unsur, upon her selection for the title of Miss Illinois County Fair of 1975, that's by Representative Tipsword, et al. House Resolution 58, by Representative LaFleur, et al. Commends Mr. & Mrs. Edward Ossick, upon their 59th anniversary. House Joint Resolution 8, is by Mr. Madigan, et al. That the period of March 22nd through 25th is proclaimed to be the 13th International Congress of Little League Week in Illinois. House Joint Resolution 11, by Mr. David Jones, et al. That we salute the Honorable C. Logan Griffin upon his attainment of the enviable status of being 85 years young. And House Joint Resolution 12, by Mr. Palmer, et al. Extends the life of the Illinois Study commission, their reporting date till June 1, 1975. The State's Attorney Study Commission, until July 1, 197... June 1, 1975. So that Mr. Speaker, I would now move the adoption of the agreed Resolutions."

Speaker Redmond: "The Chair recognizes Representative Jones."

Jones: "Ah... Mr. Speaker, Ladies and Gentlemen of the House. Th... Two of the Resolutions referred to, were to long ah... serving employees of the House, Emma Joe Rodem and Jiggs Rhules. and the other one is ah... Congratulatory to ah... Senate... former Senator and former House Member, ah... Logan Giffin and I would ask leave at this time that all Members of the House be added to these Resolutions."

Speaker Redmond: "Now the ah... question is on the adoption of the Resolution, all in favor signify by saying "aye". Opposed "no". The

"ayes have it. The agreed Resolutions are adopted."

Speaker Redmond: "Message from the Senate."

O'Brien: "A message from the Senate, by Mr. Wright's Secretary: Mr. Speaker on, directed to inform the House of Representatives, the Senate has concurred with the House in the adoption of the following Joint Resolution Number 7, concurred in by the Senate, February 14, 1975 Kenneth Wright, Secretary. A message from the Senate, by Mr. Wright, Secretary: Mr. Speaker I'm directed to inform the House of Representatives, the Senate has concurred with the House in the adoption of the following Resolutions to with the Joint Resolution Number 9, concurred in by the Senate, February 14, 1975. Kenneth Wright, Secretary. A message from Mr. Wright's Secretary: Mr. Speaker, I am directed to inform the House of Representatives that the Senate has adopted the following Senate Joint Resolution, the adoption in which I'm instructed to ask concurrence to the House of Representatives, to with... Senate Joint Resolution 11, adopted by the Senate, February 14, 1975, Kenneth Wright, Secretary. A message from the Senate by Mr. Wright's Secretary: Mr. Speaker I am directed to inform the House of Representatives that the Senate has adopted the following Senate Joint Resolution... The adoption in which I'm instructed concurrence to the House of Representatives to with... Senate Joint Resolution Number 12, adopted by the Senate, February 14, 1975, Kenneth Wright, Secretary."

Speaker Redmond: "Representative Shea."

Shea: "Mr. Speaker, I would like the Clerk to please read the House Joint Resolution... or Senate Joint Resolution 11, and then I have a motion."

Speaker Redmond: "Senate Joint Resolution 12."

O'Brien: "Senate Joint Resolution 12. Whereas recent disclosures by the by the State Controller, indicated that as many as four electronic eaves dropping devices were detected within a two to four block radius of the State Capitol Building, and possibly in the State Capitol itself, and whereas the existence of such devices in any State Office Building or faculty, or the residents of any State Employee or without an approval... of court is reprehensible and whereas such illegal devices violate Section 6, of the ah... Bill of Rights of the

FEB 14 1975

78.

of the Illinois Constitution. And whereas an immediate, thorough investigation of these disclosures as mandated, therefore be it resolved by the Senate of the 79th General Assembly of the State of Illinois, the House of Representatives concurring here in, that there is created a committee consisting of two members of the House of Representatives, one appointed by the Speaker of the House and one by the majority leader of the House, and two members of the Senate, one appointed by the President of the Senate and one by the minority leader of the Senate. To be appointed within seven days after passage of this Resolution, by both Houses of the 79th General Assembly. The Committee shall have powers to subpoena and the attendance, and testimony of witnesses and production of documentary evidence of said electronic eaves dropping devices and shall seek to determine the existence of such eave dropping devices, particularly in the space of the Capitol complex assigned to the General Assembly. The Members of the Committee shall determine the method of implementation of such subpoena powers. The Committee shall select from it's membership, a Chairman, and such other officers as it deems necessary and may employ necessary assistances. The Committee shall hold hearing as such place as in the State as it deems proper for the purpose of obtaining testimony, evidence, advise and suggestions from the interested citizens or groups. The Committee shall report to General Assembly not later than April 2, 1975. The expenses of the Committee shall upon joint approval of the Senate Committee on Committees and the Speaker of the House of Representatives be paid from the appropriation for the expenses of Joint Committees for the General Assembly."

Speaker Redmond: "Representative Shea."

Shea: "Mr. Speaker, with leave of the House I would like to use the attendance roll call, to waive the appropriate rule for immediately consideration of the Resolution."

Speaker Redmond: "Objections have been raised... You desire to be heard Representative Cunningham."

Cunningham: "Mr. Speaker... Obviously, the House has far less than a

FEB 14 1975

quorum of Members at this time. The suspicion is very... rampant that so many people have reported buggings, that maybe just a publicity stunt on the behalf of the officers that report the buggings, a matter as serious as this, before we launch the State into a witch hunting... for alleged buggers, we should have a quorum present and if the sponsor of the Bill... insists upon calling to a vote at this time, we shall challenge the... the quorum."

Speaker Redmond: "Representative Shea."

Shea: "Well, Mr. Speaker, ladies and Gentlemen of the House... I had not wished to call it to a vote, I thought we could suspend the rule. Now the Audit... the Comptroller of this State, one George Lindberg, is the one that legitimately found... such electronic... devices. I don't know how you feel Mr. Cunningham, but I feel very strongly about the fact that this House, whether it be Republican or Democrat, that any elected official in this State, be he... Republican or Democrat, has the sanctity of being able to talk in his office, or over a phone without somebody hearing that conversation. And all I want to do is try to insure that... now if you don't want to hear it today, we will hear it on the 27th, but we are trying to do this with some dispatch."

Speaker Redmond: "Representative Cunningham."

Cunningham: "Mr. Speaker, on other days I have been treated to the accusation from the sponsor of 4th of July speeches, and I think we have certainly have had one from him at this time. Now I find that my leader on this side is the co-sponsor, which causes me some degree of ah... pain and anxiety... it amounts to nothing to me that it was the Comptroller who made the objection, there is nothing sacred about that, or anyone else that makes the charges. The charges have been a long way from repudiated... I want it to be very clear on the bases that, on which I back down, with a great deal of reluctance. I hope in the future that my leader will tell me when he got out on this thin ice. I think the House is wrong, 100% wrong in launching the inquiry, but I withdraw my objection... and agree to inspire with you that there are 89 Members present, I doubt if there are 59."

Speaker Redmond: "Representative Shea."

Shea: "Well Mr. Speaker, if there are no objections, again I would with leave of the House, move to suspend the appropriate rule for the immediate consideration of this Resolution and ask to use the attendance roll call... to suspend the rule."

Speaker Redmond: "Leave is granted. Rule 41, is suspended."

Shea: "Now Mr. Speaker, at this time I would ask that this Resolution be considered, I think that everybody knows what is in it... and I would move for its adoption."

Speaker Redmond: "On the Adoption of the ah... Resolution, all if favor indicate by saying "aye". Opposed, "no". The "ayes" have it. Resolution is adopted."

Speaker Redmond: "Further Resolutions."

O'Brien: "House Resolution 69, Houlihan, et al."

Speaker Redmond: "Introduction of Constitution Amendment."

O'Brien: "House Joint Resolution Constitution Amendment..."

Speaker Redmond: "Gentlemen from Cook, Representative Shea."

Shea: "Mr. Speaker, with regards to House Resolution 69... The assignment of Bills Committee met, and has assigned House Resolution 69, to Judiciary Committee Division two."

Speaker Redmond: "Death Resolution... Representative Walsh."

Walsh: "Did I just hear a Bill assigned to a Committee?"

Speaker Redmond: "Resolution."

Walsh: "A Resolution assigned to a Committee, isn't that the function of the ah... Committee on assignment of Bills, and not the function of the majority leader."

Speaker Redmond: "Representative Shea."

Shea: "Mr. Assistant Majority Leader... ah... "

Walsh: "You really know how to make a guy feel bad."

Shea: "Well... you did it to me enough times last year... ah... the assignment of Bills Committee to which Representative Klosak, Bradley and Shea, are assigned... just met and assigned that Resolution to Judiciary Division Two."

Walsh: "Funny, I didn't see Representative Klosak... I don't see him here, but I think that you find a way that Mr. Blair had the rule written, two of the three Members could assign it."

FEB 14 1975

81.

Speaker Redmond: "Death Resolutions."

O'Brien: "House Resolution 43, Younge, with respect to Foster R. Calvert, Sr.
House Resolution 53, Kucharski, et al, with respect to Patrolman Carl
Meister."

Speaker Redmond: "Representative Shea. Representative Shea, on the Death
Resolutions."

Speaker Redmond: "We move for the adoption of the Death Resolution. All
in favor signify by saying "aye". Opposed. The "ayes" have it. The
Resolutions are adopted. Representative Shea."

Shea: "Mr. Speaker, I move that the House do now adjourn."

Speaker Redmond: "It has been moved that the House to now adjourn. All
in favor signify by saying "aye". Opposed. The House now stands
adjourn."

HOUSE OF REPRESENTATIVES

SEVENTY-NINTH GENERAL ASSEMBLY

SIXTEENTH LEGISLATIVE DAY

FEBRUARY 14, 1975



GENERAL ASSEMBLY

STATE OF ILLINOIS

HOUSE OF REPRESENTATIVES

INDEX

HOUSE OF REPRESENTATIVES

FEBRUARY 14, 1975



GENERAL ASSEMBLY
STATE OF ILLINOIS
HOUSE OF REPRESENTATIVES

February 14, 1975

1

<u>TIME</u>	<u>SPEAKER</u>	<u>DESCRIPTION</u>
11:01	Speaker Redmond	Stand at ease.
11:25	Speaker Redmond	House come to order.
11:25	Reverend Krueger	Prayer.
11:26	Speaker Redmond	Take roll call.
11:26	Speaker Redmond	Introduction of First Reading.
11:27	Jack O'Brien	First Reading of Bills.
11:33	Speaker Redmond	Quorum present.
11:34	Shea	Absentees - illness.
11:34	Speaker Redmond	Recognition of Representative.
11:34	Hirschfeld	Announcement.
11:35	Speaker Redmond	Unable to hear Representative.
11:35	Hirschfeld	Makes announcement.
11:37	Speaker Redmond	New gavel.
11:39	Speaker Redmond	At ease for 5 minutes.
11:39	Speaker Redmond	Introduction of Bills.
11:39	Jack O'Brien	First Reading of Bills.
11:46	Speaker Redmond	Senate Bill 34.
11:47	Brandt	Ask to advance Senate Bill #34 to Second Reading.
11:48	Speaker Redmond	Roll call vote.
11:50	Speaker Redmond	Motion passed.
11:50	Speaker Redmond	Checking votes.
11:51	Speaker Redmond	Resolutions.
11:51	Jack O'Brien	Reading of House Joint Resolution #9.



11:52	Speaker Redmond	Recognition of Representative
11:52	Shea	Explains Resolution.
11:53	Speaker Redmond	Resolution adopted.
11:53	Speaker Redmond	Recognition of Representative.
11:53	Shea	
11:54	Speaker Redmond	Introduction First Reading.
11:54	Jack O'Brien	
12:00	Speaker Redmond	Resolutions.
12:00	Jack O'Brien	Reading of Resolutions.
12:05	DiPrima in Chair	Kenny Mullin.
12:05	Mullin	Veterans Affairs.
12:07	Jack O'Brien	Announcement about Bills.
12:08	Speaker Redmond	House in recess until after Joint Session.
12:09	Speaker Redmond	Joint Session come to order.
12:22	President of Senate	
12:22	Speaker Redmond	Quorum present.
12:23	Speaker Redmond	Recognition of President.
12:23	Mr. President	Explain Joint Session.
12:24	Hovey	Budget Director Explains Message and Program.
12:38	Speaker Redmond	Discussion on Program Message.
12:38	Geo-Karis	Discussion.
12:39	Hovey	Discussion.
12:39	Geo-Karis	Discussion.
12:39	Hovey	Discussion.
12:39	Geo-Karis	Discussion.
12:39	Hovey	Discussion.



12:40	Hovey	Discussion.
12:41	Hovey	Discussion.
12:41	Geo-Karis	Discussion.
12:41	Hovey	Discussion.
12:42	Geo-Karis	Discussion.
12:42	Hovey	Discussion.
12:43	Geo-Karis	Discussion.
12:43	Hovey	Discussion.
12:44	Netsch (Senator)	Discussion.
12:45	Hovey	Discussion.
12:47	Netsch	Discussion.
12:47	Hovey	Discussion.
12:47	Netsch	Discussion.
12:47	Hovey	Discussion.
12:49	Netsch	Discussion.
12:49	Hovey	Discussion.
12:50	Netsch	Discussion.
12:50	Hovey	Discussion.
12:51	Netsch	Discussion.
12:51	Hovey	Discussion.
12:52	Netsch	Discussion.
12:53	Hovey	Discussion.
12:53	Speaker Redmond	Discussion.
12:53	Kane	Discussion.
12:54	Hovey	Discussion.
12:54	Kane	Discussion.
12:54	Hovey	Discussion.



12:54	Kane	Discussion.
12:55	Hovey	Discussion.
12:55	Kane	Discussion.
12:55	Hovey	Discussion.
12:55	Kane	Discussion.
12:55	Hovey	Discussion.
12:55	Kane	Discussion.
12:55	Hovey	Discussion.
12:56	Kane	Discussion.
12:56	Hovey	Discussion.
12:56	Kane	Discussion.
12:56	Hovey	Discussion.
12:57	Kane	Discussion.
12:58	Hovey	Discussion.
12:59	Kane	Discussion.
12:59	Hovey	Discussion.
13:00	Kane	Discussion.
13:00	Hovey	Discussion.
13:00	Kane	Discussion.
13:00	Hovey	Discussion.
13:01	Kane	Discussion.
13:01	Hovey	Discussion.
13:01	Kane	Discussion.
13:02	Hovey	Discussion.
13:02	Kane	Discussion.
13:02	Hovey	Discussion.
13:03	Kane	Discussion.
13:03	Hovey	Discussion.



13:03	Kane	Discussion.
13:04	Hovey	Discussion.
13:04	Kane	Discussion.
13:04	Hovey	Discussion.
13:04	President of Sen.	Discussion.
13:05	Kane	Discussion.
13:05	Partee President of Senate	
13:05	Skinner	Discussion.
13:05	Hovey	Discussion.
13:06	Skinner	Discussion.
13:07	Hovey	Discussion.
13:07	Skinner	Discussion.
13:08	President Partee	Discussion.
13:08	Cunningham	Discussion.
13:08	President Partee	Discussion.
13:08	Cunningham	Discussion.
13:08	President Partee	Discussion.
13:08	Cunningham	Discussion.
13:09	Hovey	Discussion.
13:09	Cunningham	Discussion.
13:09	Hovey	Discussion.
13:09	Cunningham	Discussion.
13:10	Hovey	Discussion.
13:10	Cunningham	Discussion.
13:10	Hovey	Discussion.
13:11	Cunningham	Discussion.
13:11	Hovey	Discussion.



13:12	Cunningham	Discussion.
13:12	Hovey	Discussion.
13:12	Cunningham	Discussion.
13:12	Hovey	Discussion.
13:12	Cunningham	Discussion.
13:12	President Partee	Discussion.
13:13	Senator Glass	Discussion.
13:13	Hovey	Discussion.
13:14	Glass	Discussion.
13:14	Hovey	Discussion.
13:14	Glass	Discussion.
13:14	Hovey	Discussion.
13:15	Glass	Discussion.
13:15	Hovey	Discussion.
13:15	Glass	Discussion.
13:15	Hovey	Discussion.
13:16	President Partee	Discussion.
13:16	Grotberg	Discussion.
13:18	President Partee	Discussion.
13:18	Hovey	Discussion.
13:19	Grotberg	Discussion.
13:20	Hovey	Discussion.
13:20	Grotberg	Discussion.
13:20	President Partee	Discussion.
13:20	Grotberg	Discussion.
13:20	Director McFeeker	Discussion.
13:21	Grotberg	Discussion.
13:22	President Partee	Discussion.



13:22	Younge	Discussion.
13:23	Hovey	Discussion.
13:23	Younge	Discussion.
13:24	Hovey	Discussion.
13:25	President Partee	Discussion.
13:25	LaFleur	Discussion.
13:27	Hovey	Discussion.
13:28	LaFleur	Discussion.
13:29	Hovey	Discussion.
13:29	LaFleur	Discussion.
13:29	Hovey	Discussion.
13:30	LaFleur	Discussion.
13:30	President Partee	Discussion.
13:30	Tipsword	Discussion.
13:30	Hovey	Discussion.
13:31	President Partee	Discussion.
13:31	Director Bond Department of Transportation.	
13:32	Tipsword	Discussion.
13:32	Bond	Discussion.
13:32	Tipsword	Discussion.
13:32	Bond	Discussion.
13:32	Tipsword	Discussion.
13:33	Bond	Discussion.
13:33	Tipsword	Discussion.
13:33	Bond	Discussion.
13:33	Tipsword	Discussion.
13:33	Bond	Discussion.
13:33	Tipsword	Discussion.



13:34	Hovey	Discussion.
13:34	Tipsword	Discussion.
13:35	Hovey	Discussion.
13:35	Tipsword	Discussion.
13:35	Hovey	Discussion.
13:36	Tipsword	Discussion.
13:37	Hovey	Discussion.
13:38	Tipsword	Discussion.
13:38	President Partee	Discussion.
13:38	Totten	Discussion.
13:39	Hovey	Discussion.
13:39	Totten	Discussion.
13:39	Director Bond	Discussion.
13:39	Totten	Discussion.
13:39	Bond	Discussion.
13:39	Totten	Discussion.
13:40	Bond	Discussion.
13:40	Totten	Discussion.
13:40	Hovey	Discussion.
13:40	Totten	Discussion.
13:41	Hovey	Discussion.
13:42	Totten	Discussion.
13:43	Hovey	Discussion.
13:43	Totten	Discussion.
13:43	Hovey	Discussion.
13:43	Totten	Discussion.
13:44	Hovey	Discussion.
13:44	Totten	Discussion.



13:44	Hovey	Discussion.
13:44	Totten	Discussion.
13:44	President Partee	Discussion.
13:44	Greisheimer	Discussion.
13:45	Hovey	Discussion.
13:45	Greisheimer	Discussion.
13:46	Hovey	Discussion.
13:47	Greisheimer	Discussion.
13:47	Hovey	Discussion.
13:47	Greisheimer	Discussion.
13:48	Hovey	Discussion.
13:48	Greisheimer	Discussion.
13:48	President Partee	Discussion.
13:48	Greisheimer	Discussion.
13:48	President Partee	Discussion.
13:49	Gaines	Discussion.
13:49	Hovey	Discussion.
13:50	Gaines	Discussion.
13:50	Hovey	Discussion.
13:50	President Partee	Discussion.
13:51	Gaines	Discussion.
13:51	Hovey	Discussion.
13:51	Gaines	Discussion.
13:51	Hovey	Discussion.
13:51	Gaines	Discussion.
13:51	Hovey	Discussion.
13:51	Gaines	Discussion.
13:51	Hovey	Discussion.
13:52	Gaines	Discussion.
13:52	Hovey	Discussion.



13:52	Gaines	Discussion.
13:52	Hovey	Discussion.
13:53	Gaines	Discussion.
13:53	Hovey	Discussion.
13:53	Gaines	Discussion.
13:53	Hovey	Discussion.
13:53	Gaines	Discussion.
13:53	President Partee	Discussion.
13:53	Maragos	Discussion.
13:54	Hovey	Discussion.
13:54	Maragos	Discussion.
13:54	Hovey	Discussion.
13:55	Maragos	Discussion.
13:55	Hovey	Discussion.
13:55	Maragos	Discussion.
13:55	Hovey	Discussion.
13:55	Maragos	Discussion.
13:55	President Partee	Discussion.
13:55	Senator Carroll	Speech.
13:56	Hovey	Discussion.
13:57	Carroll	Discussion.
13:57	Hovey	Discussion.
13:58	Carroll	Discussion.
13:58	Hovey	Discussion.
13:58	Carroll	Discussion.
13:58	Hovey	Discussion.
13:58	Carroll	Discussion.



13:58	Hovey	Discussion
13:58	Carroll	Discussion
13:59	Hovey	Discussion on Program Message
13:59	Carroll	Discussion
13:59	Hovey	Discussion
13:59	President Partee	Discussion
13:59	Madison	Discussion
13:59	President Partee	Discussion
14:00	Madison	"
14:00	Hovey	"
14:00	Madison	"
14:00	Hovey	"
14:01	Madison	"
14:02	Hovey	"
14:02	President Partee	"
14:02	Hovey	"
14:02	McFiever	"
14:03	Madison	"
14:03	McFiever	"
14:04	Madison	"
14:05	McFiever	"
14:05	Madison	"
14:05	McFiever	"
14:05	Madison	"
14:06	Hovey	"
14:06	Bond	"
14:08	President Partee	"



14:08	Senator Nimrod	Discussion
14:09	Hovey	"
14:10	Nimrod	"
14:11	Hovey	"
14:11	Nimrod	"
14:11	Hovey	"
14:11	Nimrod	"
14:12	Hovey	"
14:12	Nimrod	"
14:12	Hovey	"
14:12	Nimrod	"
14:13	Hovey	"
14:14	Nimrod	"
14:14	Hovey	"
14:14	Nimrod	"
14:14	Hovey	"
14:15	Nimrod	"
14:16	Hovey	"
14:16	Nimrod	"
14:16	Hovey	"
14:16	Nimrod	"
14:16	Hovey	"
14:17	Nimrod	"
14:17	Hovey	"
14:17	President Partee or Speaker Redmond	
14:17	Lauer	"
14:18	Hovey	"



14:18	Lauer	Discussion
14:18	Hovey	"
14:19	Lauer	"
14:20	Hovey	"
14:20	Lauer	"
14:21	Hovey	"
14:22	Lauer	"
14:22	Hovey	"
14:22	Lauer	"
14:22	Hovey	"
14:23	Lauer	"
14:23	Hovey	"
14:23	Lauer	"
14:24	Hovey	"
14:24	Lauer	"
14:24	Speaker Redmond	"
14:24	Walsh	"
14:26	Hovey	"
14:28	Speaker Redmond	"
14:28	Walsh	"
14:28	Hovey	"
14:28	Walsh	"
14:28	Hovey	"
14:28	Walsh	"
14:28	Hovey	"
14:28	Walsh	"



14:29	Hovey	Discussion on Program Message
14:30	Walsh	"
14:31	Speaker Redmond	Any further questions?
14:31	Hovey	Thank you.
14:31	Speaker Redmond	
14:31	Geo-Karis	Questions to Bond and McFeever (Spelling?)
14:32	McFeever	Discussion on Program Message
14:32	Geo-Karis	"
14:32	McFeever	"
14:32	Geo-Karis	"
14:32	McFeever	"
14:32	Geo-Karis	"
14:32	McFeever	"
14:32	Geo-Karis	"
14:33	McFeever	"
14:33	Geo-Karis	"
14:33	McFeever	"
14:33	Geo-Karis	"
14:33	McFeever	"
14:33	Geo-Karis	"
14:33	Geo-Karis	"
14:34	Hovey	"
14:34	Geo-Karis	"
14:34	Hovey	"
14:34	Geo-Karis	"
14:34	Bond	"
14:34	Geo-Karis	"



14:34	Bond	Discussion on Program Message
14:35	Geo-Karis	"
14:35	Bond	"
14:35	Geo-Karis	"
14:35	Bond	"
14:36	Geo-Karis	"
14:37	Hovey	"
14:37	Geo-Karis	"
14:37	Hovey	"
14:37	Geo-Karis	"
14:38	Hovey	"
14:38	Speaker Redmond	"
14:38	Lauer	"
14:39	Bond	"
14:39	Lauer	"
14:39	Bond	"
14:39	Lauer	"
14:39	Bond	"
14:39	Lauer	"
14:40	Bond	"
14:40	Lauer	"
14:40	Bond	"
14:40	Lauer	"
14:40	Speaker Redmond	"
14:40	Bradley	"
14:41	Lauer	"



14:41	Speaker Redmond	Discussion on Program Message
14:41	Lauer	"
14:42	McFeever	"
14:42	Lauer	"
14:43	McFeever	"
14:43	Lauer	"
14:43	McFeever	"
14:44	Lauer	"
14:44	McFeever	"
14:44	Lauer	"
14:44	McFeever	"
14:45	Lauer	"
14:45	McFeever	"
14:45	Speaker Redmond	"
14:45	Cunningham	"
14:45	Hovey	"
14:46	Cunningham	"
14:46	Bond	"
14:46	Cunningham	"
14:47	Bond	"
14:47	Cunningham	"
14:47	Bond	"
14:47	Cunningham	"
14:47	Bond	"
14:47	Cunningham	"
14:48	Bond	"
14:48	Cunningham	"



14:48	Bond	Discussion on Program Message
14:48	Cunningham	"
14:49	Bond	"
14:49	Cunningham	"
14:49	Bond	"
14:49	Cunningham	"
14:49	Bond	"
14:49	Speaker Redmond	"
14:49	Tuerk	"
14:50	Hovey	"
14:51	Tuerk	"
14:51	Hovey	"
14:51	Tuerk	"
14:51	Hovey	"
14:52	Tuerk	"
14:52	Hovey	"
14:54	Tuerk	"
14:54	Hovey	"
14:55	Tuerk	"
14:55	Hovey	"
14:56	Tuerk	"
14:56	Hovey	"
14:57	Tuerk	"
14:57	Hovey	"
14:57	Tuerk	"
14:57	Speaker Redmond	Witness Excused



14:57	Speaker Redmond	Joint Session Arise
14:58	Speaker Redmond	Senate Bill #38, Reconvene the House
14:58	O'Brien	Senate Bill #38, Second Reading
14:58	Speaker Redmond	
14:58	Craid	Advance to Third Reading
14:58	Speaker Redmond	Go to Third Reading
14:59	Speaker Redmond	Agreed Resolutions
14:59	O'Brien	Reading of Resolutions
15:00	Speaker Redmond	
15:00	Shea	Explains Resolutions
15:02	O'Brien	Reading of House Resolution #55
15:03	O'Brien	Reading of House Resolution #56
15:04	Speaker Redmond	
15:04	Shea	Explains Resolution #8, #11, #12, #57, #58
15:05	Shea	Moves to Adopt the Resolutions
15:05	Speaker Redmond	Recognition of Representative
15:05	Jones	Speaks on Resolutions
15:06	Speaker Redmond	Resolutions Adopted
15:06	Speaker Redmond	Messages from Senate
15:06	O'Brien	Reading of Messages of Senate
15:08	Speaker Redmond	
15:08	Shea	Reads Senate Joint Resolution #12
15:08	Speaker Redmond	
15:08	O'Brien	Reading of Senate Joint Resolution #12
15:11	Speaker Redmond	Recognition of Representative
15:11	Shea	Waive Rules



15:11	Speaker Redmond	Objections are Raised
15:11	Cunningham	States Objection
15:12	Speaker Redmond	Recognition of Representative
15:12	Shea	States his Opinion
15:13	Speaker Redmond	Recognition of Representative
15:13	Cunningham	Discussion
15:14	Speaker Redmond	Recog. of Rep.
15:14	Shea	Move to suspend rules
15:14	Speaker Redmond	Rules Suspended
15:14	Shea	Move to adopt
15:15	Speaker Redmond	Resolution Adopted
15:15	Speaker Redmond	Further Resolutions?
15:15	O'Brien	Reading of Resolution
15:15	Speaker Redmond	Constitutional Amendment
15:15	O'Brien	Reading of Constitutional Amendment
15:15	Speaker Redmond	Recog. of Rep.
15:15	Shea	House Resolution #69 to committee
15:15	Speaker Redmond	Death Resolutions
15:16	Walsh	Question
15:16	Speaker Redmond	
15:16	Walsh	Discussion on Assignment of Bills
15:16	Speaker Redmond	Discussion continued
15:16	Shea	"
15:16	Walsh	"
15:16	Shea	"
15:16	Walsh	"
15:16	Shea	"



15:16	Speaker Redmond	Death Resolutions
15:16	O'Brien	
15:17	Speaker Redmond	Resolution Adopted
15:17	Speaker Redmond	
15:17	Shea	Move to adjourn
15:17	Speaker Redmond	House Adjourned

