

STATE OF ILLINOIS
93rd GENERAL ASSEMBLY
REGULAR SESSION
SENATE TRANSCRIPT

138th Legislative Day

7/1/2004

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PRESIDING OFFICER: (SENATOR WELCH)

The regular Session of the 93rd General Assembly will please come to order. Madam Secretary, Reading and Approval of the Journal.

SECRETARY HAWKER:

Senate Journal of Wednesday, June 30, 2004, in the regular Session.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Maloney.

SENATOR MALONEY:

And finally, I move that the Journal just read by the Secretary be approved, unless some Senator has additions or corrections to offer.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Maloney moves to approve the Journals just read by the Secretary. There being no objection, so ordered. Ladies and Gentlemen, the Rules Committee will meet immediately in the Anteroom behind the President's Chair. Rules Committee immediately, behind the President's Podium. Senator Sullivan, for what purpose do you rise?

SENATOR D. SULLIVAN:

Inquiry of the Chair.

PRESIDING OFFICER: (SENATOR WELCH)

Please proceed.

SENATOR D. SULLIVAN:

Mr. President, with you sitting in the Chair today does that mean that we're -- should expect things to be a little more feisty today?

PRESIDING OFFICER: (SENATOR WELCH)

I've not -- I've taken a vow not to be upsetting to any of my colleagues today. It's -- it's a new fiscal year. So it's... We make New Year's resolutions; I guess this is a fiscal year resolution. Would the -- the Rules Committee please meet? Madam Secretary, Resolutions.

SECRETARY HAWKER:

Senate Resolution 620, offered by Senator Wendell Jones and all Members.

It is a death resolution.

PRESIDING OFFICER: (SENATOR WELCH)

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Resolutions Consent Calendar. Messages.

SECRETARY HAWKER:

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

Mr. President - I am directed to inform the Senate that the House of Representatives has passed a bill of the following title, the veto of the Governor notwithstanding, in the passage of which I'm instructed to ask the concurrence of the Senate, to wit:

House Bill 599.

I am further instructed to deliver to you the objections of the Governor, which are contained in the attached copy of his letter to the House of Representatives.

Passed the House, June 30, 2004, by a three-fifths vote.

I have a like Message with respect to House Bill 753.

Both were -- passed the House, June -- pardon me, that one was -
- passed the House, June 29, 2004.

Message from the House by Mr. Mahoney, Clerk.

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

Senate Bill 2256, together with Amendment --
House Amendment No. 1.

Passed the House, as amended, with a three-fifths vote, June 30,
2004.

PRESIDING OFFICER: (SENATOR WELCH)

Committee Reports.

SECRETARY HAWKER:

Senator Viverito, Chairman of the Committee on Rules, reports the following Legislative Measures have been assigned: Be Approved for Consideration - House Bills -- House Bill 2744 and Floor Amendment No. 3 to House Bill 714.

Senator Viverito, Chairman of the Committee on Rules, reports the following Legislative Measures have been assigned: Refer to Appropriations I Committee - Floor Amendment 1 to House Bill 2744.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Jacobs, for what purpose do you rise?

SENATOR JACOBS:

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Thank you, Mr. President, Ladies and Gentlemen of the Senate. I move to waive all applicable rules so that House Bill 5925 may be heard.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Jacobs moves to have the applicable rules for the purposes stated -- moves to waive the applicable rules for the purpose stated. All in favor, say Aye. Opposed, Nay. The Ayes have it. The motion carries and the applicable rules are waived for the purposes stated. Ladies and Gentlemen, please turn to page 15 of your Calendar. On the Order of House Bills 2nd Reading appears House Bill 5925. Madam Secretary, please read the bill.

SECRETARY HAWKER:

House Bill 5925.

(Secretary reads title of bill)

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

PRESIDING OFFICER: (SENATOR WELCH)

3rd Reading. Ladies and Gentlemen, please turn to page 8 of your Calendar, where House Bill 714 appears. Senator Shadid seeks leave of the Body to return House Bill 714 to the Order of 2nd Reading for the purposes of an amendment. Hearing no objection, leave is granted. On the Order of 2nd Reading is House Bill 714. Madam Secretary, are there any amendments approved for consideration?

SECRETARY HAWKER:

Yes. Floor Amendment No. 2, offered by Senator Garrett.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Susan Garrett, to explain Floor Amendment No. 2. Senator Shadid.

SENATOR SHADID:

Want to table Amendment No. 2.

PRESIDING OFFICER: (SENATOR WELCH)

Senator -- we have Senator Garrett as the sponsor of that amendment. Senator, there was a mistake on the jacket of the bill. It's Senator Shadid's amendment. Senator Shadid, on Floor Amendment No. 2.

SENATOR SHADID:

Thank you. I want to table No. 2. Floor Amendment No. 2.

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PRESIDING OFFICER: (SENATOR WELCH)

Senator Shadid moves to table Floor Amendment No. 2. That motion is in order. All in favor, say Aye. Opposed, Nay. The Ayes have it. The motion {sic} is tabled. Madam Secretary, are there any further Floor amendments approved for consideration?

SECRETARY HAWKER:

No further amendments reported, Mr. President.

PRESIDING OFFICER: (SENATOR WELCH)

3rd Reading. Senator David Sullivan, for what purpose do you rise?

SENATOR D. SULLIVAN:

Thank you, Mr. President. I know on -- occasionally freshmen Senators have a difficult time finding their way to the Floor. But if Senator Althoff can stop doing whatever is going on the gallery and come down and join us on the Floor, that'd be great.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Althoff, welcome to the Senate. Senator Shadid -- seeks leave of the Body to return House Bill 714 from the Order of 3rd Reading to the Order of 2nd Reading for the purposes of an amendment. Hearing no objection, leave is granted. On the Order of 2nd Reading is House Bill 714. Madam Secretary, are there any amendments approved for consideration?

SECRETARY HAWKER:

Yes. Floor Amendment No. 3, offered by Senator Shadid.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Shadid, on Floor Amendment No. 3.

SENATOR SHADID:

Thank you very much, Mr. President. This amendment is purely a technical amendment to -- to correct the errors that occurred when the amendment was written. The errors are references to incorrect Sections of the various tax Acts and two incorrect dates. I would appreciate an Aye vote.

PRESIDING OFFICER: (SENATOR WELCH)

Is there any discussion? Is there any discussion? If not, Senator Shadid moves the adoption of Floor Amendment No. 3 to House Bill 714. All those in favor will say Aye. Opposed, Nay. The Ayes have it, and the amendment is adopted. Are there any further Floor amendments approved for consideration?

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SECRETARY HAWKER:

No further amendments reported, Mr. President.

PRESIDING OFFICER: (SENATOR WELCH)

3rd Reading. On the Order of 3rd Reading is House Bill 714. Madam Secretary, read the bill.

SECRETARY HAWKER:

House Bill 714.

(Secretary reads title of bill)

3rd Reading of the bill.

PRESIDING OFFICER: (SENATOR WELCH)

Senator George Shadid.

SENATOR SHADID:

Thank you, Mr. President. I just -- ask for a favorable vote on the Amendment No. 3 to House Bill 714.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Shadid. Please give Senator Shadid some room there. Could you give him some elbow room?

SENATOR SHADID:

Thank you, Mr. President. I would like to ask the Body to please -- on Senate Bill -- House -- House Bill 714, please give me a favorable vote. Thank you.

PRESIDING OFFICER: (SENATOR WELCH)

Is there any discussion? Senator Dale Righter.

SENATOR RIGHTER:

Thank you, Mr. President. Will the sponsor yield, please?

PRESIDING OFFICER: (SENATOR WELCH)

Sponsor indicates he'll yield for a question.

SENATOR RIGHTER:

Senator Shadid, there's a lot of discussion going on in the Chamber now and we've all been talking about and thinking about and working on budget-related issues, and we've kind of let some of these issues slip off the front burner of our minds. Can you walk through for us please - I know there's a couple amendments on the bill - exactly what this legislation does?

PRESIDING OFFICER: (SENATOR WELCH)

Senator Shadid.

SENATOR SHADID:

I will try, Senator. This legislation lessens the effect of the repeal of the rolling stock exemption as part of FY'04's

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budget. This legislation is an agreement between the Governor's Office and the Truckers and they have been working on this agreement for over two months -- ten months. This agreement will have no impact on revenues, because it is revenue-neutral. The commercial distribution fee, as it currently exists, is repealed effective July 1, 2005. The commercial distribution fee is reduced to twenty-one and a half percent on July 1, 2005, and then to 14.35 percent on July of 2006.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Righter.

SENATOR RIGHTER:

Thank you, Mr. President. Senator Shadid, you said that it's a -- it's a revenue-neutral bill for Fiscal Year 2005, or 2000 -- I mean, I don't understand. I mean, we're repealing something. We're returning it to what it was prior to July of last year, but somehow it's a revenue-neutral bill.

PRESIDING OFFICER: (SENATOR WELCH)

Ladies and Gentlemen, Senator Righter's having trouble hearing the responses to his questions. Could we please have a little quiet for Senator Righter? Senator Shadid.

SENATOR SHADID:

The -- the reason why it's neutral is that they still will have to pay the -- the -- the commercial distribution fee, but they'll get the rolling stock exemption.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Righter.

SENATOR RIGHTER:

So the rolling stock exemption goes back to what it was prior to the beginning of last fiscal year. But the commercial distribution fee -- enhanced commercial distribution fee that they were paying is going to be phased out over a period of time? Is that -- is that what is happening in this bill?

PRESIDING OFFICER: (SENATOR WELCH)

Senator Shadid.

SENATOR SHADID:

It'll be phased down to 14.35 percent.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Righter.

SENATOR RIGHTER:

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Then how is it that we're -- we're returning the rolling stock exemption to what it was and we're phasing out the commercial distribution fee, yet it is a revenue-neutral bill? I mean, I'm assuming what you're saying there is that -- that there were certain anticipated revenues and we're going to replace those revenues. Where are we getting those revenues to make it revenue-neutral?

PRESIDING OFFICER: (SENATOR WELCH)

Senator Shadid.

SENATOR SHADID:

The fee brings in the money. That's where we get the revenue part of it.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Righter. Senator Shadid, please repeat your answer. He couldn't hear you. Hold on. Let me...

SENATOR SHADID:

The -- the fee...

PRESIDING OFFICER: (SENATOR WELCH)

Folks. Ladies and Gentlemen, Senator Righter, again, has trouble hearing. Could we remove the conferences from the Floor and let Senator Righter hear?

SENATOR SHADID:

The -- the fee is the revenue part of it.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Righter.

SENATOR RIGHTER:

The commercial distribution fee is the revenue part of it? That's -- that's what you said. I guess maybe I'm not making myself clear, Senator. We're returning to the truckers a rolling stock exemption that they did not get for Fiscal Year 2004. So that means there's, I assume, less money coming into State government. How are we making up for that in order to make it a revenue-neutral bill?

PRESIDING OFFICER: (SENATOR WELCH)

Senator Shadid.

SENATOR SHADID:

The revenue will be picked up on the SUV portion of fees.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Righter.

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SENATOR RIGHTER:

Okay. Does -- so, does that mean that we're going to be collecting a fee from someone else now that we weren't collecting in order to make up for the loss in revenue, and if so, who is that?

PRESIDING OFFICER: (SENATOR WELCH)

Senator Shadid.

SENATOR SHADID:

We're going to correct and put a fee on the SUVs which will generate twenty million dollars and the truckers will get the benefit of the -- decrease to help them stay in business.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Righter.

SENATOR RIGHTER:

Thank you, Mr. President. So we're going to impose a commercial distribution fee on the owners of SUVs in order to make up for the revenue that government would lose by releasing truckers from the same commercial distribution fee. Is that -- I mean, is that what you're telling me, because I -- my understanding -- and I'll just -- just tell you, Senator Shadid, it was my understanding that we were talking about a repeal bill - that we were going to take the burden off truckers, that we weren't necessarily going to throw it on someone else, a family driving the SUV, that we were going to repeal the fees altogether.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Shadid.

SENATOR SHADID:

They're implementing -- I'm sorry. I should have -- shouldn't have said fees on SUVs. The sales tax goes on the SUVs.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Righter.

SENATOR RIGHTER:

So there's a commercial distribution fee on SUVs and then there's a sales tax addition on top of that?

PRESIDING OFFICER: (SENATOR WELCH)

Senator Shadid.

SENATOR SHADID:

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There -- there is no commercial distribution fee on SUVs. Apparently there was a loophole in the rolling stock exemption that the SUVs found and weren't -- and weren't paying sales tax. That's been repealed now. So we get that revenue back from the sales tax of the sale of SUVs.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Righter.

SENATOR RIGHTER:

Okay. So, I'm going to try one more time. I -- so what you're telling me is, is that we are going to reinstate the rolling stock exemption to what it was prior to beginning of last fiscal year. In order to make up the money for that, we are going to impose a sales tax on the sale of certain -- SUVs that was not being imposed before. The last question I have, with your indulgence, Mr. President. Thank you.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Shadid. Senator Righter, I'm sorry. Senator Righter.

SENATOR RIGHTER:

Thank you, Mr. President. How many -- people who purchase the SUVs are anticipated to have to pay a sales tax this coming fiscal year that were not paying before? I mean, how many families who are buying the SUVs are going to pay the sales tax on it now that weren't paying before? Thank you, Mr. President.

PRESIDING OFFICER: (SENATOR WELCH)

FOX News and Chicago Tribune ask leave to film or photograph the Session. Without objection, leave is granted. Senator Shadid, to answer the question.

SENATOR SHADID:

I -- Senator Righter, if I can -- it's my understanding that prior to the initial rolling stock bill being presented a couple of years ago, the SUVs were paying the sales tax. Supposedly there was a loophole that they found that allows them not to pay a sales tax. That loophole is being closed.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Bomke.

SENATOR BOMKE:

Thank you, Mr. President. To the bill: I reluctantly support the bill. I'm -- I'm happy to see that we're

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reinstating the rolling stock exemption. I am concerned, however, the license fee increase, that it takes three years before we at least reduce it to half. It's at thirty-six percent. It'll go down to twenty-one and a half percent next year and then down to fourteen and a half percent, I believe, when it bottoms out. My concern is simply this, that it may be too little, too late. As we all know, and by the Mid-West Truckers Association analysis, they -- there were seventeen thousand truckers that licensed this year than in the previous year, more than twenty-five hundred trucking firms either went out of business, retired or left the State of Illinois. I simply -- I will support this. I will vote for it, but I'm concerned that it may be too little, too late. Thank you.

PRESIDING OFFICER: (SENATOR WELCH)

Is there any further discussion? If not, Senator Shadid, to close.

SENATOR SHADID:

Thank you, Mr. President. I'd like to make a couple comments. Number one, this agreement was reached between negotiations with the Mid-West Truckers and the Governor's Office and also our -- my staff over here. It's not what we asked for initially, but as the old saying goes, it's better than nothing and the trucking companies that I've talked to are pleased that we're doing something to take some of the load off of them and they are not unhappy with this bill. They'd like to have it completely repealed and so would I, but it wasn't possible and that was the intent of the original bill. But this is what we got and I'd appreciate your Yes vote.

PRESIDING OFFICER: (SENATOR WELCH)

The question is, shall House Bill 714 pass. Those in favor will vote Aye. Those opposed, vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, 51 Members voted Yes, no Members voted No, and none voted Present. House Bill 714, having received the required constitutional majority, is declared passed. Madam Secretary, do you have any motions in writing?

SECRETARY HAWKER:

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Yes, Mr. President. I have a motion with respect to House Bill 599, filed by Senator Shadid, and House Bill 753, filed by Senator Peterson.

PRESIDING OFFICER: (SENATOR WELCH)

Please place the motions on the Calendar. Please turn to page 20 of your Calendar. On page 20 appears Senate Bill 2108. 2108. With leave of the Body, Senator Terry Link requests leave to handle this bill. Without objection, leave is granted. On the Order of Concurrence, Senate Bills, is Senate Bill 2108. Madam Secretary, please read the motion.

SECRETARY HAWKER:

I move to concur with the House in the adoption of their Amendment No. 1 to Senate Bill 2108.

Motion filed by Senator DeLeo.

PRESIDING OFFICER: (SENATOR WELCH)

With leave of the Body, Senator Link will handle the motion. Senator Link.

SENATOR LINK:

Thank you, Mr. President. Senate Bill 2108, as amended by House Amendment 1, is an agreed-upon amendment between the Illinois Department of Professional Regulation, the Illinois CPA Society and the Board of Examiners. It would keep the regulations of licensed public accountants at the IDPR. It would also add additional oversights for unlicensed CPAs at the IDPR. There is currently no oversight for nonlicensed Illinois CPAs, and Senate Bill 2108 will now require that -- their registrations at IDPR. This dual oversight of both CPAs and licensed public accountants brings Illinois into compliance with common accounting regulation structures throughout the country. The second important component of 2108 is expanded in the federal provision to the Illinois based and private accounting firms and will greatly help the State crack down on the Enron-type accounting corruption. There is no known opposition to the bill at this time.

PRESIDING OFFICER: (SENATOR WELCH)

Is there any discussion? Senator Wendell Jones.

SENATOR W. JONES:

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

PRESIDING OFFICER: (SENATOR WELCH)

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Indicates he'll yield, Senator.

SENATOR W. JONES:

Yes. Senator Link, there's a Section in this bill that -- that strikes "All moneys received by the Board under this Act shall be deposited into the Registered Certified Public Accountant {sic} Administration and Disciplinary Fund..." That is stricken. Is there another place in the law where the fee will be given to that same fund?

PRESIDING OFFICER: (SENATOR WELCH)

Senator Link.

SENATOR LINK:

It will go to the Department of -- Regulations and it will be used as needed, Senator.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Wendell Jones.

SENATOR W. JONES:

Sorry, Mr. President. Could you ask the sponsor to repeat that?

PRESIDING OFFICER: (SENATOR WELCH)

Yes, sir. Ladies and Gentlemen, once again, we're hearing a questioner say he can't hear. Both questioners have been on the left side of the Chamber from where I sit. So, your own Members can't hear. Please take caucuses off the Floor. Senator Link, please repeat your answer to Senator Jones' question.

SENATOR LINK:

It will -- it will go to the Department of Public Registration -- IDPR, and it will be used as needed.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Jones.

SENATOR W. JONES:

My question then is, it will be -- will it be used for the Certified Public Accountants' Administration and Disciplinary Fund, a special fund set up in the State treasury? 'Cause that's stricken from the bill.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Link.

SENATOR LINK:

To the best of our knowledge, it'll be used to regulate the profession.

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PRESIDING OFFICER: (SENATOR WELCH)

Senator Wendell Jones.

SENATOR W. JONES:

Okay. For legislative purposes, I think we can say that it will then be deposited for -- in this Disciplinary Fund and be used as it has in the past.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Terry Link.

SENATOR LINK:

Yes.

PRESIDING OFFICER: (SENATOR WELCH)

Senator Lauzen.

SENATOR LAUZEN:

Thank you very much. To the bill. Thank you, Mr. President. Ladies and Gentlemen of the Senate, and -- and I -- again, I have enormous respect for the -- for the sponsor of the legislation, although the sponsorship of this legislation has now changed a third time, and I have to ask you to give close consideration before we pass this bill. This is not a good bill for the consumers and the accountants and the whole accounting field in Illinois. You know, I've been around accountants and bookkeepers my entire life. My father, before me, was an accountant. When I was fifteen years old, I went to make my first sale of accounting and bookkeeping services. I later taught three hundred franchised accountants how to go into business for themselves. Eventually I bought one of those franchises and grew a successful accounting practice. I sold that practice six years ago, and so I have no financial interest in the outcome of this bill. But this legislation benefits a special interest, but hurts the little guy in the profession and it does not protect the consumers and citizens that you would think that legislation like this should. Currently, the only CPAs who need to be licensed and regulated are those who desire and choose to do audits. This is approximately thirty-five percent of the accounting profession, or about one out of every three. What this bill does is it creates a requirement that the other two-thirds of accountants are now going to need to go through what is pretty substantial regulation, fees, continuing education, the rest of it. That means that every financial

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planner, every bookkeeper, every tax preparer, every internal accountant, every financial officer who has passed the CPA, who are not licensed now, are going to need to get that license. I understand that my friends in the CPA Society want this bill. They want the bill because immediately their membership can triple. And there's certainly that continuing ongoing education and there's -- you know, there's fees involved. I know that the Department of Professional Regulation and the administration wants this bill because there are going to be additional fees, but that shouldn't be our motivation to vote for something like this. You know, auditors police the accuracy of financial statements. There's a provision in this bill that allows the big guys in the industry to provide other services like the write-up, like the tax preparation, the same preparation of financial statements that then they're going to audit and police. How can you allow the -- the people who are supposed to be unbiased and independent to prepare the work that they're going to give an audited opinion on? Not only does this not help the little guy, it -- it -- it helps the big guy and it -- it hurts the little guy. Finally, there is a provision -- the problem in the accounting field on Enrons and Global Crossing and all the rest of those were that the licensed CPA - that's where we ought to be focusing our greater regulation - but it allows those CPAs, like the Arthur Andersens that are now out of business, to go in and do additional services like investment banking, like the preparation of financial statement, like giving other services, it allows them -- which has been prohibited in the past, it allows them to go in and do those additional services that then they're going to attest to the accuracy of those financial statement. It is a bad practice to have the police officer of the financial statement also preparing the financial statement. All a person has to do, an auditor has to do, is get the signature of the CEO, and I -- I - - I don't have my notes with me right now, but the CEOs, all those guys who are being prosecuted in federal courts for what they've done to investors, all you have to do is get his signature and then you're excused under this bill. We're looking up the specific provision. I have talked to the CPA Society about this, and yet it is taking us in the wrong

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direction. So I would ask you, on behalf of the people who trust the CPA profession, to vote No.

PRESIDING OFFICER: (SENATOR WELCH)

Is there any further discussion? Any further discussion? Senator Link, to close.

SENATOR LINK:

Thank you, Mr. President. Basically, on closing on this bill, one -- just one statement on this. To -- to my colleague over here that I -- I -- I -- I admire immensely and I know knows the CPA business very well, just one small correction on this thing. This bill does not allow any firm or business to do anything they cannot already do. Rather, it imposes a disclosure requirement so if a CPA is doing both auditing and consulting, and it is all aboveboard. Section 30.4 specifies -- provides that this bill does not mean that a CPA can provide non-audited services that would violate professional standards and requires independence. I think what this does is bring a lot more clarity and comfort of mind with the CPAs, and I would ask for an affirmative vote.

PRESIDING OFFICER: (SENATOR WELCH)

The question is, shall Senate Bill 2108 be concurred in with Amendment No. 1. This is final action. All those in favor, vote Aye. Opposed, vote Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, 43 Members voted Yes, 6 Members voted No, no Member voted Present. Senate Bill 2108, having been concurred in by the Senate, the bill, having received the required constitutional majority of three-fifths, is declared passed. Senator Halvorson in the Chair.

PRESIDING OFFICER: (SENATOR HALVORSON)

Phil Rogers of NBC-Channel 5 seeks leave to videotape the proceedings. Is leave granted? Leave is granted. Supplemental Calendar No. 1 has been distributed. Everybody should have a copy of that. Senator Jacobs, for what purpose do you rise?

SENATOR JACOBS:

Thank you, Madam President, Ladies and Gentlemen of the Senate. I move to dispense with the reading of the Veto Messages of the Governor with respect to House Bills 599 and

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753, and have copies of those Messages placed on the desk of each Member.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Jacobs moves that we dispense with the reading of the Governor's Messages. They have been placed on the Members' desks. On the Supplemental Calendar, in the Order of Motions in Writing to Override the Total Veto of the Governor, is Senate Bill -- House Bill 599. Senator Shadid, do you wish to proceed? Madam Secretary, read the motion.

SECRETARY HAWKER:

I move that House Bill 599 do pass, notwithstanding the veto of the Governor.

Motion filed by Senator Shadid.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Shadid, to explain the motion.

SENATOR SHADID:

Thank you, Madam President. House Bill 599, to refresh the Body, contains the following components for downstate firefighter pension funds: Three-percent compounded annual increases in the annuities of surviving children, a surviving spouse annuity equal to a hundred percent of the monthly retirement annuity of the deceased firefighter, an -- an increase in the employee contribution of all active firefighters of one percent of salary. I'd be glad to try to answer any questions.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Shadid moves that House Bill 599 do pass, notwithstanding the veto of the Governor. Is there any discussion? Seeing none, the question is, shall the Senate pass House Bill 599, notwithstanding the -- veto of the Governor. Those in favor, vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 47 Yeas, 3 voting Nay, none voting Present. And House Bill 599, having received the required three-fifths vote, is declared passed, notwithstanding the veto of the Governor. Also on the Supplemental Calendar is the Order of Motions in Writing to Override the Total Veto of the Governor. Senator -- or, House

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Bill 753. Senator Peterson, do you wish to proceed? Madam Secretary, read the motion.

SECRETARY HAWKER:

I move that House Bill 753 do pass, notwithstanding the veto of the Governor.

Motion filed by Senator Peterson.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Peterson.

SENATOR PETERSON:

Thank you, Madam President. House Bill 753 is the Gavin School bill. As you may recall, we gave approval in the bill to allow the -- the school to sell bonds because they found that the building had been structurally flawed when it was constructed, and we're trying to get the kids in school in September. And this does allow the -- the district to sell the bonds. The money that they receive from any lawsuits or anything else goes back to pay the bonds. The bonds can only be sold for the corrective work on the construction. Any monies left over are rebated to the taxpayers as per Chapman and Cutler's opinion. So I ask for your support to override the Governor's veto on House Bill 753.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Peterson moves that House Bill 753 do pass, notwithstanding the veto of the Governor. Is there any discussion? Senator Welch.

SENATOR WELCH:

Question of the sponsor.

PRESIDING OFFICER: (SENATOR HALVORSON)

Sponsor indicates he'll yield.

SENATOR WELCH:

Senator Peterson, my understanding was, there was a referendum on building this building and it was -- was that voted down? Is that correct?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Peterson.

SENATOR PETERSON:

Not that I'm aware of. They put -- how could they build the building if they voted down the bond issue to build it?

PRESIDING OFFICER: (SENATOR HALVORSON)

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Senator Welch.

SENATOR WELCH:

Was there a referendum on paying to repair it?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Peterson.

SENATOR PETERSON:

Not that I'm aware of.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Welch.

SENATOR WELCH:

So what -- what we're doing here is trying to allow them to do a referendum to repair it?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Peterson.

SENATOR PETERSON:

Because time is of an essence and they're trying to get the kids in school in September, otherwise they're going to have to disperse 'em over parts of Lake County. This will let the school district sell bonds to repair it, then recoup the money from the architect and from the contractor, because obviously there -- there's a problem with the structure the way it was built. There's pictures of cracked trusses and everything else, and engineers have looked at it and said, yes, there are problems here. But, of course, everybody's negotiating. They would like not to have to go to court, but if they do go to court, then the kids are bussed all over the county in whatever locations other school districts can provide space for them. So, this money -- any money that is used from the bonds has to only be used for repairs of the building.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Welch.

SENATOR WELCH:

So when the money comes from the company that built the building, assuming that the plaintiffs are victorious and those pay off the bonds, in the interim won't there be bond payments by existing taxpayers until that lawsuit is settled? And would they be reimbursed for the extra payment?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Peterson.

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SENATOR PETERSON:

Yes, that's correct, Senator.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Welch.

SENATOR WELCH:

Is there any method to take care of people who sell their house in the interim between the bonds being issued and the lawsuit being settled to pay off those bonds? Let's say there's a two-year period and someone owns a house, pays two years, then sells it. Is there any way to reimburse that person?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Peterson.

SENATOR PETERSON:

I don't think that's provided for in the bill, Senator.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Geo-Karis.

SENATOR GEO-KARIS:

Madam President and Ladies and Gentlemen of the Senate, this school is in my district and the contractors and the architects goofed, I believe, because the trusses in the school were very dangerous, and I -- we certainly didn't want any schoolchildren hurt. It's important, because in order to get a lease with the other schools to get the students there, we have to get this bill passed. I -- I ask for your favorable vote on this, cause it's really necessary. I wouldn't be speaking to you otherwise. Please help me get this passed and override the Governor's veto.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Walsh.

SENATOR WALSH:

Thank you, Madam President. Will the sponsor yield?

PRESIDING OFFICER: (SENATOR HALVORSON)

Sponsor indicates he'll yield.

SENATOR WALSH:

Senator Peterson, I understand that the contractor and the architects and everybody involved in this have admitted to making this error on the construction of -- of this school. Is that correct?

PRESIDING OFFICER: (SENATOR HALVORSON)

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Senator Peterson.

SENATOR PETERSON:

I don't know if they've admitted to error. They have said that they would help defray the cost for the repair. I don't think their attorneys would let them -- admit error in the construction process. They're -- they're basically saying, hey, we'll help repair it. The -- the problem is just like when we're negotiating the budget, it's who's going to pay how much for what. And one of the areas that the -- these people are reluctant to pay for is the -- the leasing to provide space for the kids and also the transportation for the kids to go to these other schools.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Walsh.

SENATOR WALSH:

Okay. So that's -- that -- that would be a sidebar to basically the actual -- the actual construction that took -- that took place. Are they -- are they admitting to -- to error in regards to their participation of -- of the construction of the school?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Peterson.

SENATOR PETERSON:

Once again, Senator, I don't believe they're admitting any fault. What they're saying is, we are willing to negotiate. We will try to give you funds to repair it. But as I said before, I don't think their attorneys are advising them to any type of culpability in this particular case.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Walsh.

SENATOR WALSH:

Senator, has there been a lawsuit filed on behalf of the school against the architect and the construction company that performed this?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Peterson.

SENATOR PETERSON:

I'm not aware of one being filed. You know, the school is in -- trying to -- to negotiate in good faith, the school board

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and the administration, to try to not go to court. And so the -
- the contractors and the architect are also talking to the
board, but once again, they're -- they're at odds as to what
costs will be covered by those individuals.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Walsh.

SENATOR WALSH:

So, Senator, it's a distinct possibility that -- that the
school -- the school will never get the money back that
basically that they are going to bond for. They may not get
that much money back to pay back the taxpayers.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Peterson.

SENATOR PETERSON:

Well, Senator, that's kind of a hypothetical question. I
don't know what the courts will do, but maybe if they file it in
Madison County, they'll get more than they need.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Walsh.

SENATOR WALSH:

Thank -- thank you, Senator. In all due respect, the issue
that I think concerns some of us is the precedent that we may be
setting here, in all honesty, that every time a school district
has a financial problem, and we know full well that there are
many school districts throughout this State that are having
financial problems, are they going to be coming to us at the
State level to bail them out or to provide this temporary
assistance. Which, you know, I concur with you, Senator, I
don't want to see anybody, most importantly being in a school
that is -- that is -- could be dangerous for the children or do
we want to see children be bussed all over the county to try and
insert them into different school classes, but are we going to
get into a situation where every time that somebody has a
financial problem we, the State, are going to be the -- the
Santa Claus to help them out in regards to getting over the hump
until some other problem is solved?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Peterson.

SENATOR PETERSON:

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Senator, you voted for this bill when it left the House, and I would like to tell the Body, this has no State funds involved. These are all local monies, not State monies.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Geo-Karis. No. Okay. Is there any further discussion? Senator Peterson, you wish to close? The question is, shall the Senate pass House Bill 753, notwithstanding the veto of the Governor. Those in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, House Bill 753, having -- 37 Yeas, 15 Nays, none voting Present, and House Bill 753, having received the required three-fifths vote, is declared passed, notwithstanding the veto of the Governor. Senator Emil Jones, for what purpose do you rise, sir?

SENATOR E. JONES:

Thank you, Madam President. I know a lot of Members have concern as to what we are going to do. It is our intent to pass a one-month budget to deal with the critical services of State government. It is our intent to do that so that vital services can continue and no one will be -- employees at the State or those individuals who depend on the State for their reimbursement, that those services do not be interrupted until such time we get a budget. I have no hang up as to pride of authorship, whether it come from the House or it come from the Senate. I do oppose doing a -- a full year's temporary budget. And my ego and the Members on this side ego does not dictate as to which one of the budgets pass. It is our intent to stand at ease until such time that we put that final piece together, and -- and we would deal with that temporary budget. So it doesn't make me any different personally. You know, some people have to have pride of authorship. It's got to be my way or no way. I have -- I don't have a problem with that, just as long as we accomplish the -- the objective. And as -- as I stated to the press yesterday, that we intend to introduce a -- a one-month budget and that budget is in -- in -- in the -- the Approp Committee, and so we -- we will go to a meeting and we're still going to try to resolve the issue. And that -- that'll be the final substantive piece of business that we'll take care of

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today. So we'll just stand at ease until such time that all the paperwork is taken care of on that piece. We will come back, because we will be voting on that budget.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Burzynski, for what purpose do you rise?

SENATOR BURZYNSKI:

Thank you, Madam President. We'd like to announce a Republican Caucus at such time that we stand at ease.

PRESIDING OFFICER: (SENATOR HALVORSON)

That's always in order. The regular Session of the -- Senate will stand in recess till the call of the Chair. We will be in recess till the call of the Chair.

(SENATE STANDS IN RECESS/SENATE RECONVENES)

PRESIDING OFFICER: (SENATOR HALVORSON)

The regular Session of the Senate will please come to order. There will be a Rules Committee meeting immediately in the President's Anteroom. Immediately. Will all the Members within the sound of my voice please start making your way to the Floor? Senator Maloney, for what purpose do you rise?

SENATOR MALONEY:

Point of personal privilege, Madam President.

PRESIDING OFFICER: (SENATOR HALVORSON)

State your point.

SENATOR MALONEY:

I'd like to take this opportunity to introduce to you a group of young people from Chicago's north side, from the Jefferson Park area. It's Chicago Park District's Leadership Council. I'd appreciate if the Senate gave 'em a warm welcome.

PRESIDING OFFICER: (SENATOR HALVORSON)

Will our guests in the gallery please rise and be welcomed to Springfield? Welcome to Springfield. Madam Secretary, Resolutions.

SECRETARY HAWKER:

Senate Resolution 621, offered by Senator Emil Jones and all Members.

It is a death resolution.

PRESIDING OFFICER: (SENATOR HALVORSON)

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Resolutions Consent Calendar. Madam Secretary, Committee Reports. Messages.

SECRETARY HAWKER:

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

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

Senate Bill 2213, together with House Amendment 1.

Passed the House, as amended, July 1, 2004, by a three-fifths vote.

There are like Messages on Senate Bill 2258, with House Amendment, and Senate Bill 3361, with House Amendment 1.

All passed the House, July 1.

PRESIDING OFFICER: (SENATOR HALVORSON)

Committee Reports.

SECRETARY HAWKER:

Senator Viverito, Chairman of the Committee on Rules, reports the following Legislative Measures have been assigned: Be Approved for Consideration - Motion to Concur with House Amendment 1 to Senate Bill 3361 and Motion to Concur with House Amendment 1 to Senate Bill 2213.

PRESIDING OFFICER: (SENATOR HALVORSON)

Ladies and Gentlemen, the Supplemental Calendar has been distributed. It should be at your desks. So, on the Order of Concurrences, Senate Bills, is Senate Bill 3361. Senator -- excuse me. My mistake. We're starting at the top on Senate Bill 2213. Senator Jones. Senator Emil Jones, do you wish to proceed on Senate Bill 2213? Madam Secretary, read the motion.

SECRETARY HAWKER:

I move to concur with the House in the adoption of their Amendment No. 1 to House -- to Senate Bill 2213.

Motion filed by President Jones.

PRESIDING OFFICER: (SENATOR HALVORSON)

With leave of the Body, we'll return to 2213. We'll now go on to Senate Bill 3361. Senator Welch, do you wish to proceed? Madam Secretary, read the motion.

SECRETARY HAWKER:

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I move to concur with the House in the adoption of their Amendment No. 1 to Senate Bill 3361.

Motion filed by Senator Welch.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Welch, to explain the motion.

SENATOR WELCH:

Thank you, Madam President. The motion for concurrence is for the purpose of passing a core budget for one month. The core budget for the year of 2005, fiscal year beginning July 1st, will also end on July 31st, 2004. The budget will include operation funding for State agencies; will see that State employees will not experience disruptions in -- in their pay; or in critical programs in the central operations that need immediate spending authority, those will remain open. The bill that we just received from the House is a -- is a very long and detailed bill. However, the very last page of it indicates that there is a repealer in the bill which automatically goes into effect when the month is over. I will be glad to try to answer any questions.

PRESIDING OFFICER: (SENATOR HALVORSON)

Is there any discussion? Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

A few questions of the speaker, Senator Welch, if that's permitted.

PRESIDING OFFICER: (SENATOR HALVORSON)

Sponsor indicates he'll yield.

SENATOR RAUSCHENBERGER:

Senator Welch, I appreciate you having the distinction and the -- the obligation to carry the House's work again. Maybe though we can just make sure the -- the public and the Members understand. Since we've skipped the public hearing process, I just wanted to make sure people understood. What -- what -- what is the appropriation for K through 12 education in this core services budget?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Welch.

SENATOR WELCH:

Senator, the core services for kindergarten through twelfth grade, the payment is due on August 1st. That's when this

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proposal expires. So it -- there would be nothing in the budget at this time since the payment will not be due during the month of July.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

So the -- the core services budget doesn't include our obligation to give -- to make a -- a -- a commitment to K through 12. So we're obviously going to have to come back and -- and deal with that. I just want Members to be aware that, you know, if you go home over the Fourth of July or if you sneak home and get a chance to be in a parade, someone might say, you know, education's not a core service of -- of State government. So I wanted people aware of that. What -- what -- what's the -- how did we handle the appropriation, or how'd the House handle the appropriation for higher education in this budget, as they try to decide how many students they can enroll and -- and as families try to make their plans? What -- what's in there for higher education?

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Welch.

SENATOR WELCH:

Senator, the House decided not to fund higher education, although they did fund the Illinois Math and Science Academy for the next month.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

Yeah. And again, I know this isn't your bill. I just want the Members to know, it's a good idea to pass a core services budget to keep the State institutions running, but as we head home weekends, people just need to be aware that -- and I'm kind of surprised the House would decide it was a priority to make sure that the Math and Science Academy could plan its year when school districts across the State are going to be a little bit up in the air about what their level of funding is going to be. How -- how does this handle State agencies other than critical State agencies, Senator Welch?

PRESIDING OFFICER: (SENATOR HALVORSON)

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Senator Welch.

SENATOR WELCH:

Excuse me, Senator. The answer to your question is that all operation lines other than personal services - this is other than personal services, personal services related and contractual services - are zeroed out unless those lines are deemed critical to the mission of the agency.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

Does this core services budget grant extraordinary transfer authority for one month to these agencies? I think that's what I understood from the analysis. I was told it's four-percent transferability so that they -- if we miss something, that they could transfer into lines.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Welch.

SENATOR WELCH:

Senator, that's in the next bill that Senator Jones is the sponsor, Senate Bill 2213. That's not in this bill.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Rauschenberger.

SENATOR RAUSCHENBERGER:

Just to close. I -- you know, I know it's not fun to carry this kind of thing, but I just would caution the Members, that I think the State of New York fourteen years ago embarked in a process of doing a continuing resolution once cause they couldn't get their budget done and they had a -- a difficult Session. Rather than kind of letting the clock run, they went to a continuing resolution. Fourteen years later, the State of New York has yet to have an on-time budget. And although I know these are extraordinary circumstances and the sponsor brings this bill forward with the best intentions, I just think that this is a cautionary tale. We -- we really should not be cobbling together State budgets. We ought to really be using the pressure of the moment to force Legislative Leaders and legislators to make hard choices and to make compromises. I intend to support the -- the Senator's efforts today, but with the caution that -- that, you know, I'm not sure what kind of

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signal we send and if this doesn't really begin effective negotiations between the Legislative Leaders, we could be at this point thirty days from now. Thank you.

PRESIDING OFFICER: (SENATOR HALVORSON)

Is there any further discussion? Senator Watson.

SENATOR WATSON:

Yes. Thank you very much, Madam President. And just to follow up on the -- the Minority Spokesman of Appropriations. One thing that -- that we have some concern about and reservations, although we agreed to it, is -- is kicking this out to the Floor and not having a hearing. We think that's an important part of the process. So, we don't want to establish any precedent here that -- that might deter our working together in the future. First of all, I just want to thank our staff on this side and -- and -- and obviously the staff on the other side, the House and both staffs working together to try to come up with a means by which we can keep State operations going. And I think that's very important, and Senator Welch mentioned that, that we certainly have a amount of trust, I think, to the -- to the people of this State that government operations will not be discontinued and the paychecks will be paid and vendors will be paid and providers will be paid, and -- and I think that's a certain amount of trust that the people of this State who work for us, who do -- who provide us services, that we have an obligation. I would -- I would just like to say that I hope everybody on this side supports the issue. And I appreciate the Senate President's working with us on this and the fact that we will continue to work in the coming days to try to get a '05 budget that will be one for the full year and one that we can all support. So that's my commitment to you and I hope you'll support this issue. Thank you.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Jones.

SENATOR E. JONES:

Yes. Thank you, Madam President. I -- I -- I respect and appreciate the remarks of the Minority Leader, and also the remarks of the Minority Spokesperson on Appropriations. You know, the original concept of doing a core budget for one year, what that indicated to me, that we would be here August,

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September still dealing with a major budget. The -- as I indicated I have no problem with which piece of legislation pass. There is no perfect piece of legislation. This piece is definitely not -- not perfect. And the -- the trailer bill dealing with the four-percent transferability attempts to correct some of the errors in this bill that relate to employees and certain core items that have to be funded. We've gone past July 1 in the past. Never have we had to even attempt to do this. Today is July 1st and government, the lights are still on and still working. And so we've gone past July 1 in the passed, but just to allay the fears and anxiety of those individuals, we will proceed in this direction. And again, I personally feel that there is no one piece of legislation is the perfect piece that solves the problem. We are still here in Session. We'll be here tomorrow, be here Friday, Saturday, if necessary, Sunday, and so forth, to come to a resolve. But we are doing this so that we can keep the core services in place, and the legislation that you have before you, there's questions as relate to certain line items in the budget that are zeroed out, whether or not those same employees that we are concerned with whether or not they will be paid. The trailer bill will deal with the transferability. I only trust that, in that trailer bill, there's enough transferability in there to assure that all employees within those various respective agencies will be able to be compensated. And the bill that we filed would have provided -- would have provided that. But in the event that that doesn't happen, we will have to come back with another trailer bill. But hopefully, before then, reasonable minds can come together to deal with the critical issue of education and health care and to assure that the people of the State of Illinois don't get shortchanged. And I urge the Members on this side of the aisle to support this piece of legislation and let's rise above the pride of authorship and do what we think is best for the people of Illinois.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Welch, do you wish to close?

SENATOR WELCH:

Thank you, Madam President. I'd just like to say that I don't think there's any Member of this Chamber that likes this

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bill. This is something we certainly didn't want to do. I don't think anybody here wants to do a one-month budget. But those of us who were here in 1991 remember when we didn't pass a budget until July 19th. And Senator Watson, I'm sure remembers, and Senator Jones and Senator Geo-Karis, we had the State employees on our necks just raising Cain with us. We don't want to do that again. Some recipients of the government funds went to court and got a court order against us. We don't want to do that again. So as bad as this is, it's the best we got before us right now. This is, of course, the House's version of what should be done, not the Senate's version. And obviously there's a complete difference of opinion as to what should have been in the bill. And that's -- fortunately we have a trailer bill that allows us to make some of the necessary changes, due, we think, to items that were left out, not intentionally. Such as: DCEO lump sums were at zero. A hundred and ninety-two paid staff can't be paid. Central Management Services' Efficiency Initiative Revolving Fund at zero. Sixteen people are paid from that fund. The Upward Mobility, Governor's Commission on the Status of women, and Veterans' Affairs are at zero. Seventeen people are paid from those line items. Liquor Control Commission was lump summed at zero. Four employees were not funded. Those were some mistakes. We've got a trailer bill going to clean those up. Certainly if we had had more time, we could have come up with a better bill, but nobody wanted to do this. We didn't really plan on this happening till today. The Speaker talked about this particular bill being a twelve-month bill for the last week. We never saw it. You never saw it. So, I'd urge a Yes vote as a necessity. Thank you.

PRESIDING OFFICER: (SENATOR HALVORSON)

This is final action. The question is, shall the Senate concur in House Amendment No. 1 to Senate Bill 3361. Those in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 51 Ayes, none voting Nay, 1 voting Present. And the Senate concurs in House Amendment No. 1 to Senate Bill 3361, and the bill, having received the required three-fifths constitutional majority, is declared passed. With leave of the Body, we'll

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return to Senate Bill 2213. Senator Jones, do you wish to proceed? Madam Secretary, read the motion.

SECRETARY HAWKER:

I move to concur with the House in the adoption of their Amendment No. 1 to Senate Bill 2213.

Motion filed by Senator Emil Jones.

PRESIDING OFFICER: (SENATOR HALVORSON)

Senator Jones, to explain the motion.

SENATOR E. JONES:

Thank you, Madam President. This bill authorizes, for Fiscal Year 2005, the transfer of funds from any appropriated line item within the same or from other -- any other treasury funds for the purpose and the balance of the funds receiving the monies is insufficient for the designated appropriated purposes. And this -- is in relationship to what the sponsor of the previous bill indicated that within certain line items that are at zero, this gives the agency the flexibility to pull funds from other areas so that they -- they can necessarily meet the payroll. There are no limits to the use of these funds. Transfer by a State agency cannot exceed four percent of the aggregate amount appropriated for that State agency. Language still remains under the Finance Act that no transfers be made from one agency to another agency, nor may transfers be made from one institution of higher education to another institution of higher education. That's in the -- and that's in the Finance Act. But since the House sent over a bill with no money for higher education and -- so that we won't have to worry about that. These transfers authorized under this bill are limited to between line items for a single agency operation from the same or different funds. Now, the whole thrust of this amendment is to cure some inequities in the other bill. I trust that the four percent will be sufficient enough to be able for that agency to carry out its -- its one month's operation. That question remains unanswered. And that's why I said earlier on the Floor, I spoke to Members of my caucus, pride of authorship does not mean that our acting on this bill, that this is a better bill. Our whole thrust is the end product, that we -- we see that the core services of government continue to operate as we sit down and come together on the education and the health

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care issues that are still before us that's not in this bill, and we want to work and hopefully, within the next day or two, this bill will not even be necessary 'cause we will have come together and did our job to fund State government. So I -- I urge a Aye vote on this motion.

PRESIDING OFFICER: (SENATOR HALVORSON)

Is there any discussion? Seeing none, this is final action. The question is, shall the Senate concur in House Amendment No. -- House Amendment No. 1 to Senate Bill 2213. Those in favor will vote Aye. Those opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Take the record. On that question, there are 51 Ayes, 2 voting Nay, 0 voting Present. The Senate concurs in House Amendment No. 1 to Senate Bill 2213, and the bill, having received the required three-fifths constitutional majority, is declared passed. There being no further business to come before the regular Session, we will adjourn till 12:30 tomorrow, Friday, July 2nd, 2004.