

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

SB0001	Conference	3
Senate to Order-Senator Sullivan		1
Communications from the President		1
Journal-Postponed		1
Senate Stands at Ease/Reconvenes		2
Committee Reports		2
Senate Stands in Recess/Reconvenes		3
Adjournment		53

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

PRESIDING OFFICER: (SENATOR SULLIVAN)

The First Special Session of the Senate of the 98th General Assembly will please come to order. Mr. Secretary, Communications from the President.

SECRETARY ANDERSON:

Letter dated December 3rd, 2013.

Dear Mr. Secretary - Pursuant to Rule 2-10, I am scheduling Special Session No. 1 to convene on December 3rd, 2013, to consider Senate Bill 1.

Sincerely, John J. Cullerton, Senate President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Mr. Secretary, Reading -- Reading and Approval of the Journal.

SECRETARY ANDERSON:

Senate Journal of Wednesday, June 19th, 2013.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hunter.

SENATOR HUNTER:

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

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Senator Hunter moves to postpone the approval of -- the reading -- moves to postpone -- the approval of -- the reading and approval of the Journal, pending the arrival of the printed transcripts. There being no objection, so ordered. The Senate will stand at ease for a few minutes to allow the Committee on Assignments to meet. Will all members of the Committee on Assignments please come to the President's Anteroom? All members of the Committee on Assignments to the President's Anteroom. The

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

Senate will stand at ease. (at ease) The Senate will come to order. Mr. Secretary, Committee Reports.

SECRETARY ANDERSON:

Senator Harmon, Chairman of the Committee on Assignments, reports the following Legislative Measures have been assigned: Be Approved for Consideration - First Conference Committee Report to Senate Bill 1.

Signed, Senator Don Harmon, Chairman.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Justin Fowler, State Journal-Register, requests permission to photograph. Seeing no objection, leave is granted. Senator Bivins, for what purpose do you rise?

SENATOR BIVINS:

Sorry about that. Mr. President, Senate Republicans would request a ninety-minute caucus.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Trotter, for what purpose do you rise?

SENATOR TROTTER:

Thank you very much, Mr. President, Members of the Senate. I'm rising for a point of announcement.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Please state your announcement, Senator Trotter.

SENATOR TROTTER:

There will be a Democratic Caucus in the President's Office immediately, for approximately a hour and a half.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you, Leader Trotter. Senators Bivins and Trotter move that the Senate recess for the purposes of Senate Democrat and Republican Caucuses, lasting approximately ninety minutes each.

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

Seeing -- seeing no objection, the motion is granted. Ladies and Gentlemen, the Senate now stands in recess to the call of the Chair. After the Senate Democrat and Republican Caucuses, the Senate will reconvene for the purposes of Floor action. The Senate stands in recess to the call of the Chair.

(SENATE STANDS IN RECESS/SENATE RECONVENES)

PRESIDING OFFICER: (SENATOR SULLIVAN)

The First Special Senate -- Special Senate -- Special Session of the Senate will now come to order. Ladies and Gentlemen, Supplemental Calendar No. 1 has been distributed. Conference Committee Reports. On that Supplemental Calendar, we have Senate Bill 1. Mr. Secretary, do you have on file a conference committee report on Senate Bill 1?

SECRETARY ANDERSON:

Yes. First Conference Committee Report to Senate Bill 1.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Thank you, Mr. President. Ladies and Gentlemen of the Senate, with this Conference Committee Report to Senate Bill 1, the General Assembly can finally break the political stalemate that has held up changes to the pension systems, not only between the House and the Senate, but also between competing views within each one of the four caucuses. I want to thank the Leaders in this Chamber, Leader Radogno and Senate President Cullerton, for finishing the work that the conference committee -- and I'd like to thank the conference committee members, Senator Murphy, Senator Brady,

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

Senators Holmes and Senators {sic} Biss, as well as the Representatives in the House, for helping and sacrificing their summers and their fall to try to move this forward. I ask that you support this bipartisan package of pension changes. Each provision of this bill has been heavily negotiated by the conference committee members and the four Legislative Leaders. Some provisions were sought by House Democrats, some were sought by House Republicans, some sought by Senate Republicans, and some sought by the Senate Democrats. All told, the provisions in this bill are all part of an integral bipartisan package. Before talking about what's in the -- in the -- in the bill, it's important to understand where we are currently with pension fund funding and how we got to this point. According to the actuaries for the five systems, the crude unfunded liabilities for fiscal year 2013 was 97.4 billion. And the systems have sufficient assets on hand to cover only forty-one percent of their total projected liabilities, based on current actuarial assumptions. In June -- on June 27th, COGFA staff testified before the conference committee that about ninety percent of these current unfunded pension liabilities accrued between fiscal years 1985 and 2012. According to COGFA's analysis, 47.2 of that overall 87.2 billion-dollar growth in unfunded liabilities came from the State not contributing what it should have contributed to the retirement systems. Stock market losses was the next single-largest cause, accounting for about 16.5 percent of the -- the growth in liabilities. Changes in actuarial assumptions, such as people living longer than expected, were responsible for about 10.1 percent. And benefit increases for public officials and employees accounted for about 9.3 percent of that growth. And employee salary increases were less than

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

expected by the system actuaries over the period and actually reduced the systems' unfunded accrued liabilities by over five hundred and thirty-five million. COGA -- COGFA -- and the COGFA analysis further found that the remaining 17.5 percent in growth in unfunded liabilities was attributable to certain miscellaneous factors. In sum, COGFA's analysis revealed that the primary cause of these current unfunded accrued liabilities was one of funding, primarily the failure by past General Assemblies and Governors to properly fund these retirement systems. I served on the 2009 Pension Modernization Task Force. And COGFA quoted the report from that task force that said, in part, the reality is that the primary cause of the State funded {sic} (unfunded) liability is Illinois' decades-long failure to make its full actuarial required employer contribution to the five pension systems. For whatever the reason, we are where we are now and we can stay cemented in disagreement and decide that we will do nothing; however, this will have its impact on the priorities that we all -- we all think are important - funding education, social services, public safety, and the like, higher education. In total, the bill is projected to save the State a hundred and sixty billion dollars in contributions between now and fiscal year 2045. The bill reduces the State's unfunded liability by 21.4 billion. The bill lowers the cost of living adjustment for members and retirees from the current three percent compounded to a formula based on the member's length of service. The new COLA would be equal to three percent of the lesser of the member's annuity or a thousand dollars for members that were not coordinated with Social Security, or eight hundred for members that were coordinated with Social Securities {sic}, times their years of service. This eight-hundred- or

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

thousand-dollar amount will increase each year by full CPI. Members that have not retired will have a staggered COLA delay based on their age. They will miss between one and five COLAs. The retirement age for members that are forty-five years or -- forty-five years old or younger will be increased on a sliding scale, but by no more than five years sliding down. For forty-five, an extra four months, and for every year sliding down, adding four months, till reaching the cap of five years. The bill institutes a salary cap for pension purposes that is equal to the Tier II salary cap, which is currently a hundred and nine thousand nine hundred and seventy-one dollars. However, members currently earning more than this amount are grandfathered in at their current salary. Tier I employees will have their employee contributions reduced by one percent of payroll as of July 1, 2014. The bill creates an optional defined contribution plan that is designed to be cost-neutral and that will be capped at five percent participation. The bill changes the State's funding goal from ninety percent funded in 2045 to a hundred percent funding by 2044. The State will also make additional payments to the pension systems. Starting in fiscal year 2016, the State will contribute ten percent of the savings generated by this bill back into the systems. Additionally, the State will contribute three hundred and sixty-four million in fiscal year 2019 and one billion in fiscal year 2020 and -- and -- and each calendar year -- in each year thereafter. These amounts will be used to reduce the unfunded liability, but will not reduce future contributions until the system is a hundred percent funded. The retirement systems will have the ability to sue the Comptroller if the Comptroller fails to make the contributions or transfers required by law. However,

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

the General Assembly retains the ability to change the funding schedule, and therefore change the payment for any given fiscal year, by changing the law. Finally, the bill addresses some perceived abuses, such as allowing non-governmental entities participate in the -- in -- in the public pension systems. Ladies and Gentlemen, this has been a long and difficult process coming to this point. I do not sit before you and suggest to present to you a perfect bill. But in the difficult work that we have to do, on the difficult votes that we have to take, perfection is never achieved. However, we have the worst unfunded liability in the United States of America and we can't continue to be cemented into a stalemate. Your constituents elect you to be responsible and to steer our State in a better direction. We cannot continue to be the embarrassment of the nation. We must act to steer -- steer out ship in the right direction and I urge an Aye vote on this bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Is there any discussion? Senator Noland, for what purpose do you rise?

SENATOR NOLAND:

Thank you, Mr. President. To the bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

To the bill, Senator Noland.

SENATOR NOLAND:

Thank you, Mr. President. I, first of all, want to commend, applaud, on behalf of the people of all of Illinois, thank the conference committee, principally Senator Raoul, President Cullerton, and everyone who has put in so much time on this very difficult issue. It's not easy for me to speak in opposition to



STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

this bill. But I believe that there is a certain voice that's not being heard here and I wish to provide that voice if at all possible. Mr. President, the Illinois General Assembly has had many opportunities, over the forty years, to avoid now what is essentially a constitutional crisis. Now, we have convened for the special purpose of restating the social contract our State has with its people. However, given the haste in the manner in which we are being asked to take this vote, to say nothing of the merits of the bill or its constitutional infirmities, I am concerned that the given -- given the short amount of time we've left for public review of this bill, we cannot know the true will of our people and, therefore, should not proceed. Mr. President, we are sent down here to be a voice for the people. And as such, we are asked to make what are, at many times, very difficult decisions - there is no doubt. But this vote here today differs in a number of ways. Principally, it is statutorily tantamount to a constitutional amendment, and as such, this vote should be much more of a public undertaking. The lack of public discourse leading up to our vote here, in my opinion, threatens the integrity of all our laws that govern and protect us as citizens in Illinois and, indeed, undermines our legitimacy as an elected Body. Some of us -- some have said that if we do not do this now, our State will, for all intents and purposes, become bankrupt. Therefore, ultimately, our choice then becomes one between sovereign insolvency on the one hand and our very legitimacy as a sovereign on the other. Now that the note has come due on a promise we'd rather not keep, we have, to this point, persuaded ourselves that government services, like education, health care and public safety, things that foster social mobility, well-being, and that make us safer and more

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

prosperous as a people, we have persuaded ourselves that these things need to be cut so that our budget deficit will shrink, all so that our tax bill doesn't go up. This in a State that has the lowest effective income tax rate in the Midwest and the lowest -- lowest tax rate amongst the largest industrialized states that have an income tax, a State that spends the least amount on its citizens per capita than any other State in the nation. True, we have a thirty-five-billion-dollar budget, but we have a seven-hundred-billion-dollar economy, the fifth-largest economy in the United States; thus, we are spending only a nickel for every dollar that is spent. We are spending only a nickel on government for every dollar that is spent in Illinois. And although while I maintain that the need to know -- we need to have more time to know the will of the people, sometimes it only takes a few moments to see the truth of an issue that has been around for a long time. By passing on yet another opportunity to do the right thing, however, by asking those who are most able to shoulder the fair share of this burden and responsibility of governing, we are, by this act of omission, taking the life savings of teachers and State workers and others, many now retired and on fixed and limited incomes, and transferring those life savings to others far more affluent who are not paying their fair share in meeting the just demands of our people and, thus, in the process, helping to widen the gap between rich and poor while the very function of governing is shut down. To this invitation, I respectfully decline. And so, for this Body to give voice to our people and for the people of this State to have voice in its governance and for those who govern to know the true will of the people, I strongly urge a -- a No vote. Thank you.

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. I failed to announce earlier that the President has requested that the timer be used during the debate. Each speaker will have five minutes to ask questions and/or debate the legislation. Next speaker seeking recognition, Senator Duffy. For what purpose do you rise?

SENATOR DUFFY:

To the bill, Mr. President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

To the bill.

SENATOR DUFFY:

You know, I think I'll start out my comments with talking about some of the endorsements, some of the people who support this bill. Us people that live around Chicago read the Chicago Tribune, and the Tribune endorsed this bill. And what I think is -- is very interesting is, when they supported it, they said, and I'm just going to read briefly, for the math to work on this law, the legislators will have to be disciplined as well on other State spending. They'll have to close State facilities, reform Medicaid, reduce the State workforce, hold the line on discretionary spending, negotiate modest contracts with employee unions, rely on conservative revenue projections and resist the temptation to borrow money for day-to-day expenses. Now that is a huge caveat, knowing that over the past ten years, this same periodical has written story after story and has spent a lot of ink -- and barrels and barrels of ink on stories saying how inept and incompetent the State Legislature is; but, yet, they endorse this bill and say, for it to happen, we would have to be one of the most -- most competent legislatures in the -- in the United States of America.

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

So -- so I -- I take this endorsement with a grain of salt. Also, as a small business owner for the past twenty years, I look at some of the endorsements from the business groups that are on this bill, some of the same business groups that were on the workmen's compensation reform bill that went absolutely nowhere, that I also opposed. Now some of these business groups I know also have a conflict of interest. I know that there are businesses lining up outside the door trying to get special tax deals and tax breaks from the State of Illinois. And since they're doing that, the Governor has said that I will not give out -- I will not open the spigot for these special tax deals until I pass a pension reform deal. So, of course, they want this pension reform bill to pass so that they can receive some of these special tax deals. These deals that none of the small business owners, who provide eighty percent of the jobs and eighty percent of the revenue, they don't receive any of those special tax deals. So like I said, as a small business owner for the past twenty years, I also take that endorsement with a grain of salt. I, along with my colleagues here on this side of the aisle, have sponsored and pushed several, if not many, different pension reform bills. But, as you know, it's good to be king and be in the supermajority. Our bills haven't even come to committee. They haven't even been heard. We didn't even get a chance to entertain those bills. So, we have offered solutions, but those solutions have to sit in a drawer for the time being. My concerns with this bill -- my concerns, along with some of the other Senators that spoke, is that there hasn't been any transparency. This bill is going to, in fact, impact every single taxpayer in the State of Illinois. It's a hundred-and-sixty-billion-dollar bill and we received this full, complete

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

bill yesterday and now we're supposed to review it, analyze it, and make a decision and vote on it today. This bill is very reminiscent of another bill that's been talked about a lot on the national level concerning health care, that you all might have heard about, saying that you have to pass the bill to see what's in it. Well, I'm not interested in doing that. Also, this bill claims, like we said, that it's going to save a hundred and sixty billion dollars over the next thirty years. Of that a hundred and sixty billion dollars, roughly ninety-two billion dollars will be actual savings. Now that ninety-two-billion-dollar number has never been confirmed by COGFA. So it's been an outsource -- outside resource that has confirmed that number. No government agency, COGFA, or nobody internally has confirmed that number that can be held accountable to voters and to the taxpayers. So that concerns me. What also concerns me about this new bill that we have is that fifty-eight to sixty-eight percent of the savings won't be realized until 2040 to 2045. So that means that all the things, like the Tribune mentioned, that have to take place, how responsible we have to be with our spending and how we have to reform Medicaid - even though we're already rolling back those reforms that we made - how we have to make sure all those take place, that all has to occur until 2040, when we're actually going to see the majority of savings in this bill. So that is of very much concern. Also, this bill states that pensions in the future will be a top priority, that we're going to have to pay money to pensions before other essential services in the State of Illinois, including education, disability services, services for senior citizens, and other things like that. Now, knowing that the savings aren't going to be realized until 2040 - the majority of

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

the savings - aren't going to be realized until 2040 to 2045, where are we going to get the money, since we don't have it, to pay for these pensions?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Duffy, your time has expired. I'll give you just a few minutes to wrap -- a few seconds to wrap up your comments.

SENATOR DUFFY:

You got it. Thank -- thank you, Mr. President. In closing, we would get that money from another tax increase and I don't want to set up another tax increase. For those reasons, I would urge a No vote. Thank you, Mr. President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Next speaker, Senator Biss, for what purpose do you rise?

SENATOR BISS:

Thank you, Mr. President. To the bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

To the bill, Senator Biss.

SENATOR BISS:

So when we adjourned at the end of May, there was a stalemate between the two Chambers and the responsibility of the conference committee and the subsequent negotiation of the Leaders was to bridge some of that gap. And -- and let's -- let's address the bill that's before us today from that point of view. It -- it takes from the bill passed by the House, the approach of having predicable and -- and very, very large number of savings adequate to put the State on a fiscal path that I believe will be manageable. But at the same time, it takes from the bill passed by the Senate a greater degree of respect for the constitutional consideration,

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

increasing the chances that this bill will meet the constitutional test. At the same time, it took the -- the philosophy advanced by the House that the changes to the pension formulas should be designed in such a way as to protect those with the smallest pensions and those who have served the longest, but it takes the principle from the Senate to include very significant inflation protection of those benefits, as well as some additional protections for retirees, as well as -- and a few other -- as well the concept of staggering the delays in COLAs so that nobody has to endure numerous consecutive skips of their annual increase. Additionally, it takes a new concept or a -- an enhanced concept from both of the bills, which is to drive additional savings into the pension systems, accelerating the rate at which we're going to restore fiscal accountability to the systems and, over time, saving more money. And looking at all these different ingredients, I conclude that we have a bill before us that, though surely imperfect, though surely nobody's ideal version of what we might be considering today, is certainly a reasonable compromise and is worth supporting. I -- I intend to vote Yes and I would respectfully encourage all of my colleagues in the Senate to join me in voting Yes. But I would point out that this bill is not a panacea, and it shouldn't be. We spent decades building up a terrible problem, a terrible fiscal problem, and we've spent the last several years digging our way out of it with a series of very painful decisions. I hope that this afternoon we're going to make the next in a series of very painful decisions to dig out of our -- our -- our fiscal problems. And if we do, it'll be a massive and significant step, but we'll wake up tomorrow morning with continued problems on the table. And that's only appropriate,

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

because we shouldn't ask all of the sacrifice to come from one sector. There's plenty more work to do on both sides of the ledger, in government reform, in tax reform, if we're to land ourselves on a path to true fiscal sustainability, but today's action is an essential step in that process. I'd like to close with some thank yous. First of all, I want to thank President Cullerton for his leadership on this negotiating process. It was very, very difficult and painful and he did a -- an extraordinary service to our caucus and to the people of Illinois. And also I want to thank you for having the trust in me to appoint me to the conference committee. I hope my conduct on the committee was worthy of that trust. My time on the conference committee was very, very transformative for me as a legislator. The work that we did on a bipartisan, bicameral, intellectually honest, constructive basis was really something special. And I want to thank all of the other members of the conference committee for their time, for their efforts, for their energy and for their ideas. But I -- I would like to single out for praise our chairman, Senator Raoul, who shepherded an extraordinarily difficult process with unbelievable pressures with mastery and grace that I -- I would hope to one day learn a -- a fraction of. And also a very, very big thank you to my dear friend in the House, Representative Nekritz, whose longstanding work on this project has been transformative for the State and who has taught me more than I can articulate about this issue and about -- about legislative leadership. I want to close, though, by thanking two other people. I want to thank Fritz Goebig and Jim Stivers. And I suspect a lot of you -- are asking who are Fritz Goebig and Jim Stivers. The answer is, they wrote this bill. They were two massively highly



STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

skilled, underpaid, overworked staff attorneys at the Legislative Reference Bureau who wrote this bill. And they didn't only write this bill. This issue has been going on for a very long time in this State and, for years, they've written dozens and dozens and dozens of bills on this topic - draft after draft after draft of the bill late at night, on the weekends, on holidays - bill after bill after bill to cut their own pensions, because that is their level of commitment to their job and to the people they serve, to the public they serve. And I think all of us in this Chamber stand something to learn by thinking about their example. This debate has been difficult.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Biss.

SENATOR BISS:

Yeah.

PRESIDING OFFICER: (SENATOR SULLIVAN)

You're time has expired. I'll give you a few seconds to wrap up.

SENATOR BISS:

Let me just very quickly then say, this debate has been a painful debate and the rhetoric has been ugly, and there's a lot of work left needed to be done, not only to repair our fiscal condition, but to repair the broken trust that this process has created in the State of Illinois. This step is crucial. It is necessary. I don't come to it easily. I think none of it -- come to it easily. But it is an absolutely essential part of the process to restoring the State's fiscal integrity and the public discourse and level of trust that our people, the taxpayers and workers alike, need and demand. I respectfully, but strongly, urge an Aye

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

vote.

PRESIDING OFFICER: (SENATOR SULLIVAN)

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

SENATOR McCARTER:

To the bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

To the bill, Senator McCarter.

SENATOR McCARTER:

A few things. One, you know, we all like fairness and so we like the same rules to apply to everybody. So why not the judges? I mean, we all like fairness. I mean, this really puts us in an awkward situation. We're concerned about constitutionality, so we, maybe for that reason, leave out the judges. Maybe there's a trailer bill for the judges. I don't know. I'm waiting. Also, the defined contribution part of this bill is not what it seems. I know it was something that our side of the aisle asked for, pleaded for, because it's more of the style that we'd like to reform this with. Okay? Myself included, seeing that it was in both of the bills that I submitted. But here's the problem, five years vesting. Even if you're vested, you have to wait five years to get your money that the government's going to match. You think that's bad, the bill says if they decide to get rid of the defined contribution plan, it says the system shall be entitled to recover the amounts in the participants' defined contribution accounts. They can take your money. Doesn't matter whether you invested well or you invested poorly - if they get rid of the plan, they take your money. Now you talk about being legal. I'm not an attorney, but that can't be legal. Also, it's revenue neutral.

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

So if it's revenue neutral for five percent of the people, would it not be revenue neutral for ten percent? Would it not be revenue neutral for a hundred percent? Why then cap it at five percent? And last, ten percent of the savings is allocated to a fund to put into the pension debt. And I would be much more inclined to support this bill if this bucket didn't have so many holes in it. What happens to the ninety percent? Do we, as one of the speakers just said, implement government reform and tax reform? We're not guaranteed of that. We're not guaranteed of this at all. If we had guaranteed government reforms and tax reform at the same time, giving these people who we're asking to take less, people we promised, although a bad promise -- we're going to take the savings and spend it on a lot of the things that they despise. They despise one new program after another. And we're going to take their money and put it the new programs. There is no guarantee that that's not going to happen with this bill. If -- if you -- if you would have put together the government reforms and the tax reforms together to assure these people that they're going to sacrifice but it's going to put this State back in -- back in the black, you would have had more support from them. And I think they would have even tolerated more reforms and more reductions in their benefits. But how can they trust you? We've made bad promises. Promises we can't keep. So as much as I want pension reform, this is not the way to do it. I encourage a No vote.

PRESIDING OFFICER: (SENATOR SULLIVAN)

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

SENATOR DELGADO:

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

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

question?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Indicates he will yield. Senator Delgado.

SENATOR DELGADO:

Thank you. And I want to commend the sponsor and all the folks that have been put in this situation. But from the sponsor, as we go down this road on -- on this compromise bill with this wonderful conference committee, which -- and then of course, we don't see a compromise bill, but a bill that's then led by the Leaders of both Chambers, and -- but at the end of the day, is there a provision in there somewhere now that's also now even maybe, I call a piling on as to a collective bargaining point that's somewhere in there at the bottom, if you will, suggesting that collective bargaining for the labor unions will be pretty much eliminated other than for pick up purposes?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

This -- this bill does not eliminate collective bargaining. What this bill makes clear is that the -- the things achieved by this bill cannot be undone by way of collective bargaining. So collective bargaining cannot impact the things with regards to the pension.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Delgado.

SENATOR DELGADO:

Thank you. That's the best answer I've gotten yet for that question, Senator. So I do appreciate that. To the bill: As we sit here, I've served in both Chambers for fifteen years now. I

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

come here as a Democrat. I come here as a worker, former labor, ATU 241. I'm former AFSCME. At the end of the day, my father was labor, Inland Steel; my father-in-law is U.S. Steel. We are a labor nation built in a beautiful way. But at the end of the day, when we look at the rights of American workers, we have a real democratic philosophical problem here today, Ladies and Gentlemen, and that is defining. This is more than a vote. This is defining the future of America workers and the systems that they operate and the trust between neighbors, employer and worker. Because see, some of the workers that are supporting as the proponents are big manufacturers that are also, again, reiterating, looking for tax edges and breaks and corporate welfare. But they're the ones saying that, well, about eight hundred thousand Illinoisans are subjected to this, and they say, well, Senator Delgado, you tend to be like salmon, always running upstream. But I tell 'em, well, upstream there's always something waiting up there and it's a bear. And the bear is eating the salmon. But at the end of the day, we have about eight hundred thousand people that faithfully paid into a pension process, faithfully did this. If this was a corporation, I believe we'd be in court. We'd be in court now. But at the end of the day, we have a government that did not respond. I was part of that. Unfortunately, they put it in front of us and we go ahead and try to do what we can with it. However, now we're asking to respond. This is not about a shared sacrifice, 'cause if it was, all of Illinois would be paying for the mistake of the General Assembly, not just eight hundred thousand people who've already been smacked as they sat there for dinner and moneys were removed. The democratic -- the Democrats who are in charge now, from the Governor, to the Speaker, to my great President. But we have a

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

larger obligation, not to serve as the bouncers that are now holding down our nurses and janitors and teachers while they're picking up and punching them into the gut and the rib and knocking 'em. Like one of our big newspapers said, kicking them right in the teeth, yet they support the proposition. But I say to you, that to me, either we tax all, if this is so out there and everyone wants a solution - there's sin taxes, there's all kind of taxes that we could be talking about to bring this to closure. But what we're talking about, Democrats, is understanding the working class people, the opportunities to be able to say we had a Senate bill by Senator -- President Cullerton, Senate Bill 2404, and we had compromise, because everyone was at the table, but now my labor unions are on the menu again. And because of that, these are working families. These are -- talk about contributors, give me a break. Minority legislators, we're the most underfund -- we don't care about that. We care about social justice, about a day's work is a day's pay. Well, now that we're here, here we go again. We liberated a community a couple of weeks ago and gave them the rights they deserve as Americans and human beings and now we're about to punish retired teachers, the janitor, the woman that serves or the man that serves lunch to your child in school. So as I wrap up, Mr. President, 'cause I know I've got to move on, it's very clear that they created a conference committee to do what? To come right back, after I served eight years in that Chamber -- once again, I'm back to where we started, when one speaker can say, "I want it my way", and it's going to get done. We've got around this whole enchilada and we're right back where we started - and that's at the throats of the people.

PRESIDING OFFICER: (SENATOR SULLIVAN)

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

Senator, your time has expired. I'll give you a few seconds to wrap up.

SENATOR DELGADO:

...wrap -- as I wrap up, I, too, don't want to take a corpse to the Supreme Court, but as I say, it's someone else's court. But at the end of the day, if we're going to really restore the integrity and the fiscal integrity, as other -- people say, to making sure that we include the integrity of all of the State of Illinois, then we wouldn't be doing this. This is morally wrong, morally corrupt, and we should not be robbing the benefits of these hardworking people, and making sure, at the University level, those who are not receiving Social Security are retiring with fifty thousand dollars -- retirements after thirty years and bringing home about thirty-eight thousand, which averages about a thousand a year.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you, Senator Delgado.

SENATOR DELGADO:

And I thank you, Mr. -- no.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Further discussion? Before we do that, Seth Perlman, with the Associated Press, requests permission to take photos. Seeing no objection, leave is granted. Senator Righter, for what purpose do you rise?

SENATOR RIGHTER:

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

PRESIDING OFFICER: (SENATOR SULLIVAN)

Indicates he will yield for questions. Senator Righter.

SENATOR RIGHTER:

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

Thank you, Mr. President. Senator Raoul, I noticed that of all the speakers thus far, only one has been willing to ask you any questions, and I think it's because they're concerned about the timer and they're concerned that you may try to run out the clock on them with a long answer. Now, you and I are friends and I trust you, so I know that you're not going to do that to me. I have one question for you, and that is, in your opening, you talked about the fact that Illinois' pension systems have the highest unfunded liability in the nation - and you're, no doubt, correct about that. Given that, why does the bill only require that ten percent of the savings that we will glean from lower annual payments actually be plowed back in to that underfunded system?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Different provisions of this bill have come about by way of compromise. Certainly, as we seek to advance pension reform, one of our concerns is crowding out of other priorities, such as investment in education, human services, and -- and -- and the other things that we as a State have the responsibility of funding. So there's -- there's a -- there's -- there's a balancing game that's paid in this -- played in this, and -- and during the negotiation of the Leaders, that provision came about. That was not a product of the conference committee, so I can only go so far in terms of answering your question. I'm not trying to run the clock out. But since you said one question, I -- I figured I'd -- I'd give that answer and -- and yield the -- yield the rest of the time back to you.

PRESIDING OFFICER: (SENATOR SULLIVAN)



STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

Senator Righter.

SENATOR RIGHTER:

Senator Raoul, I see my light is still green, so that's a win for both you and I. Thank you. Ladies and Gentlemen, there's been a lot of talk about the crushing pension debt, about the immovable object that we seem to face now. But I would suggest to you that if the crisis were such that that payment had to be -- come down and had to come down immediately, this bill wouldn't say that nine out of every ten dollars that we save can be sprayed across other areas of State government, to fund whatever projects, whatever new programs, whatever existing programs might be out there. Ten percent is nominal at best. And what it says to those back home, and we are talking to those back home, is that, yeah, we think the underfunding is kind of important, but the bottom line is, is that we're willing to change the promise and the covenant that we had with you in order to spend money on other things. Now, this is a choice. And again, the rhetoric has been -- has cast the perception that there is no choice - that this is what has to be done. And the reason I know that is because I've read some of the press accounts, but also, if you look at page 1 of the bill, in legislative statement, it says "At the time of the {sic} passage of this amendatory Act of the 98th General Assembly, Illinois has both" a - and this is really what it says, if you haven't read it - "has both atypically large debts and structural budget {sic} (budgetary) imbalances". It almost sounds like, in Illinois, in State government, and particularly among elected officials here, there's like a genetic defect that prohibits us from actually not accruing red ink. It keeps us from doing what's necessary to balance the budget and keep promises. That we just

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

can't do it. The challenge is too big. So we're just going to say we have to do this. This is a choice. This is a choice. A commitment's been made. A promise has been made to those back home who have faithfully served the public and are continuing to faithfully serve the public. And I would suggest to you that if you're going walk away from that commitment, that we be a little more serious about it than saying ninety percent of the money that we take from you is going to be transferred through State government into things that we want to spend money on, rather than the things that you want to spend money on. That's a choice. It's the wrong choice. This government has unfortunately earned, particularly over the last decade or so, a well-earned reputation for being promise breakers. We don't have to do it here. This is a choice. We can make the payment this year and next year. If you stick to the payment schedule, if you stick to the payment schedule, which has been a chore in the last decade..

PRESIDING OFFICER: (SENATOR SULLIVAN)

Excuse me, Senator Righter. Your time's expired. I'll give you a few -- seconds to wrap up.

SENATOR RIGHTER:

Thank you, Mr. President. If you stick to that payment schedule, these payments go up between two and three percent a year. Wouldn't we like it if every government program only went up between two and three percent a year? Thank you, Mr. President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

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

SENATOR HOLMES:

I have a few questions of the sponsor.

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

PRESIDING OFFICER: (SENATOR SULLIVAN)

He indicates he will yield for questions. Senator Holmes.

SENATOR HOLMES:

Thank you. I was reading in my analysis here. It says, "The bill would exclude from compensation lump sum payments for unused sick or vacation time. This provision only applies to those that become a participant in the system on or after the bill's effective date." Why are we treating this benefit different than we're treating the rest of the benefits?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

That was part of the -- that was part of the compromise. It was also part of Senate Bill 1. But, you know, it's part of the overall compromise.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Holmes.

SENATOR HOLMES:

Sort of selectively deciding which benefits we're going to ding people with. Okay. That -- that's an answer. I also wanted..

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Holmes, excuse me just a second. Senator Raoul wanted to further respond to that. Senator Raoul.

SENATOR RAOUL:

It was also in Senate Bill 2404, which you supported.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Holmes.

SENATOR HOLMES:

Does this proposal -- well, of course, it would be in Senate

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

Bill 2404. Does this proposal allow an individual employee to choose among reform options, or is this just mandatory to all pension fund members?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

It is unilateral.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Holmes.

SENATOR HOLMES:

...consideration. Okay. To the bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

To the bill, Senator Holmes.

SENATOR HOLMES:

I think this is a very sad day here. I'm very sorry, once again, to be standing here, embarrassed and saddened by what we as a Body are talking about doing. In 2010, I didn't think we'd be standing on the Floor discussing this. The reason why, was in spring of 2010, we were brought a bill that reformed pensions. We now call that Tier 2. We looked at that and they were pretty drastic reductions for new hires. And at that point, I think some of us raised concerns about that; however, we were told, "But it's new hires. They have the option to plan for their retirement. They have the option to make changes. We are not touching current employees or retirees. We promise we're not doing that." Well, guess what? Today we're looking at breaking that promise, because we're impacting retirees and those that are currently in the system. I look at this from a very simple perspective. We can talk the numbers. We can talk anything we want here, but let's

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

get down to what the real reasons are. For one thing, this is a budgetary problem. This is not a pension problem. What we are doing is quite simply wrong. I ran a remodeling company for twenty years. Every job we did, we did based on a contract. That contract was signed as to what work we would be performing. It was signed by the customer who said what they were going to be paying for that work. When the job was completed, I could go to the customer and say, is everything we stated in the contract been performed and been performed to your satisfaction? They say, yes. I say, fine. Now, you have been making your payments throughout; it is time for the final fifteen thousand on your dream kitchen. You know, the kitchen with the granite countertops and the stainless appliances. This is everything you wanted, right? You say, absolutely, and I know I owe you fifteen thousand and I know that's in the contract, but I'm only going to pay you five thousand. What am I, as a business person, going to do? Am I going to take them to court for breach of contract? Absolutely. We signed an agreement. How is this, what we are doing, any different? I don't know how there is one person here with any understanding of business, with any understanding of contracts, who can sit there and say what we are doing is right. This is wrong. And we're just going to throw this out there because we don't know what else to do, so we're going to let the justices decide? We, as a Body of lawmakers, can't look at this and say this is inherently wrong? This is inherently unfair. This is a promise broken. This is actually no different than a thief coming into your house in the night and stealing your valuables. The difference is, this isn't a thief coming in the night. This is your elected representatives coming to you, looking you straight in the eye and saying, "I'm

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

going to take away your future." That is more than a promise broken. That is reprehensible. I urge a No vote.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. We have four or five different speakers yet seeking recognition. We're going to go to Senator Oberweis. For what purpose do you rise?

SENATOR OBERWEIS:

A question of the sponsor.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Indicates he will yield. Senator Oberweis.

SENATOR OBERWEIS:

Let me just start out and mention that I came here today as a member of a very small group, in two ways. First of all, I came on the Floor today without knowing which way I would ultimately vote on this bill. And secondly, I came here having actually read this three-hundred-and-twenty-five-page bill, spending almost the entire day yesterday going through this bill. And I learned some interesting things. Among other things, I learned that we actually treat reimbursed travel expenses as pensionable income. That -- that seems absolutely crazy. Nobody in the private sector would do anything like that. My question for you is, as I read through it, we have the point that defined contributions -- participants in the -- the -- in the voluntary alternative defined contribution are limited to a maximum of five percent in any plan. I think Senator McCarter raised the issue too. Can -- can you tell us why it's limited to five percent?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

That was a product of the negotiations amongst the Leaders. I can tell you that there was some resistance in the conference committee to defined contribution, because it was difficult to -- to make it cost neutral. I know in -- in conversations that we had in -- to make it both cost neutral and, at the same time, attractive to employees to -- to -- to go into the -- the defined contribution. So, by way of negotiations in the Leaders' meeting, a cap was -- was put on it at five -- five percent.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Oberweis.

SENATOR OBERWEIS:

But wait, by the bill, you did make it cost neutral, because you simply said, whatever we would pay for the defined benefit, instead we're going pay into the defined contribution plan - cost neutral by definition. So I'm not sure that I can accept that and since it is cost neutral, why not make it available to everybody and anybody that wishes to voluntarily choose that?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Again, it was a product of negotiations, because of the difficulty, the -- the cost savings that it would cost in the short term to do that. It was -- it was not part of the conference committee proposal. In the Leaders' meeting, there was a negotiation, and in the Leaders' meeting, they put a five percent cap on it.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Oberweis.

SENATOR OBERWEIS:

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

To the bill: I would be a strong supporter of this bill if, in fact, we had spending limits so that the funds that we supposedly will save will actually pay down our unfunded pension liabilities and pay down our unpaid bills. But that is not in this bill. Our State is a financial mess. This bill is not true reform, but it may, in fact, be the best that we can get at this time. As a result of that, I am now leaning towards voting in favor of the bill. Thank you, Mr. President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank -- thank you. Further discussion? Senator Dillard, for what purpose do you rise?

SENATOR DILLARD:

Thank you, Mr. President and Members. I want to echo what other Members have said about our colleagues and the staff in the Reference Bureau, but I certainly want to say thank you to Kim Fowler, Erik Dillman, on our side, and your staff, who have been magnificent throughout this whole process, especially over Thanksgiving weekend. After paging through this three-hundred-page monster - and I wish we would have had a couple of days for rank-and-file Members and the public to have input in a committee of the whole type of process - I do have concerns about this legislation. I also think and was skeptical of the fact that this vote is scheduled the day after the filing period closed for the primary filing dates of those of us who are up for election. And if we've learned anything from the Nancy Pelosi and Obamacare situation in Washington, when you're passing things this complex, you ought to give it a little sunshine. Like many others on this issue, I do have questions on the constitutionality of whether or not the consideration in here, if that's something the court's



STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

going to look at, can pass muster. I actually locked myself in my law office, which probably scared my law partners, and did a little research. And I believe that there is no bargain for exchange here. I don't understand why we're charging or giving employees one percent less in terms of what they would pay to their future pensions when they're offering us more. And for current retirees, there is no consideration at all. I don't believe the Legislature can unilaterally, without having the employees at the table agreeing to it, do this, and I believe it fails for lack of consideration. I'm also really concerned about where the savings of the money will come from, a reportedly hundred and sixty billion dollars. Is it going to be used to pay down old bills? You know, when this Chamber debated the sixty-seven percent income tax increase that you all passed, you said it was going to go pay down old bills. That has not happened. You know, I wonder where the money's going to go. Is it going to go to improving mental health for developmentally disabled funding? Some of it, I believe, should go to infrastructure. I certainly hope the savings don't go to expanding our government. There's no guarantees here that the money is going to be spent wisely. And I'm worried that we're digging ourselves into a deeper hole. If this legislation is found unconstitutional, we're out on a perch with another two, three, four billion dollars built into our State's budget base. This isn't our last chance to fix this problem. I understand the urgency of this. And anybody who says this is our last chance is kidding themselves or hasn't watched this process work. In fact, sometimes it takes a couple of extra laps around the track for the race to really begin. Conference Committee Report No. 2 can be drafted pretty quickly with public input, with transparency. To

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

close, the full faith and credit of the State of Illinois, for those of us who are running for higher office, is certainly more important than a Governor's race. But so, too, is the trauma that comes to a person who has changed bedpans for our parents, taught our kids, keep our streets safe. This, particularly, has an extra impact for State Police officers, who usually are out after twenty years. I have never, never shied away from a difficult vote in the Legislature. There are some that I probably, politically, should not have made. And I will tell you that I've voted for tough pension reform before - I'm ready to do it again - tough, fair, with appropriate public input, not in the dead of night type of legislation that's here. And I'm ready to make that vote. I reluctantly, reluctantly rise against this. This is not the solution and I want questions answered as to how this money is going to be spent before I vote for it. Thank you.

PRESIDING OFFICER: (SENATOR SULLIVAN)

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

SENATOR BRADY:

Thank you, Mr. President. I, too, would like to extend my thanks to our staffs on both sides of the aisle. It's not just over Thanksgiving weekend that they worked, it's not just through the fall or the summer, but literally for years that they've invested their time and efforts into a proposal that might bring this to a conclusion in this area. I'd also like to thank the members of the conference committee and others who have joined in this process. This proposal is not perfect, but it is good. If it were perfect, we wouldn't be asking our teachers and our State employees and our State university employees to take a reduction

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

in the rate in which their pension can grow; we wouldn't have to ask them to do that. But the fact of the matter is, regardless if you won't want to say it's because benefits are too high, or if you want to say it's because the Legislature in their budgets haven't funded the pensions accordingly, the fact of the matter is, we have a hundred-billion-dollar shortfall in our pension system. And it is a budgetary problem that needs a budgetary solution. If we do nothing, twenty-five percent of our revenue will be absorbed to fund the current pension obligations. Seventy-five percent isn't enough to provide the support services we need in this State. Yes, we need a financial solution as the first step of rectifying our financial condition. And we have to do that, reluctantly, by asking people to take an alteration in the way their pension grows. We're not asking anyone to take a reduction of what they've earned, just a change in the way it grows. As I said, that's not perfect, but it's good and it puts us on the right path. Frankly, depending on how the courts rule, it may not be enough. We may have guidance and may need to come back and do other things in the future. My hope is that it is enough. And then as we do other things to improve our State's economy, our revenues grow and we might even be able to look at restoring some of these benefits that we're taking away today. But the fact of the matter is we're dealt the hand we have today and we have to act upon it. This isn't an easy vote for anybody. But I truly believe the best vote for the people who've worked for us, as a State, and the best vote for the taxpayers of this State is to support this resolution today, and I ask you to join me in doing so.

PRESIDING OFFICER: (SENATOR SULLIVAN)

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

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

SENATOR JACOBS:

Thank you, Mr. President. To the bill.

PRESIDING OFFICER: (SENATOR SULLIVAN)

To the bill, Senator Jacobs.

SENATOR JACOBS:

Mr. President, I can't help but think that -- that we're paying the sins of the fathers today. We've all had a hand at what's happened here and they're coming home to collect the money. There's been a high cost to what we've done. It's been mostly a high cost of putting ourselves first - me, me, me, I want, I need, mine, mine, mine. Not only us, everybody in the -- in the -- in the auditorium is guilty of that sin in America. It just seems to me that -- you want to take care of the widows. You want to take care of the people who really need help, who want to be maintained above a poverty level. We want to make sure veterans have money so they can go to school for free. We need to cut expenses. But I -- find most comical my friends across the aisle, and some of my -- on my own aisle, that say this bill doesn't do enough. That is the last refuge of a scoundrel, as far as I can see. This bill does a lot. And some things I don't like. And I also think those folks that say the bill doesn't -- doesn't -- does -- does too much are correct too. So, they're right. Everybody's right. Mine, mine, mine, it's too much, it's too little. Somebody has to step in and say, okay, I'm going to parent, I'm going to make a decision. Illinois is broke. Is there anybody here that doesn't understand that? We're broke. It's time to get off the fence. For too long, people have been banging on my door - taxpayers -

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

saying, hey, fix the pension problem, fix the pension problem. And what have we done to fix it? Not a whole lot. You know, fifty years ago, John F. Kennedy passed by an assassin's bullet, and like a lot of young Democrats, and maybe some of my Republican friends as well, I watched that and I -- and I thought it was important to have a profile in courage. It's important to tell your friends no once in a while. It's important to protect your -- your enemies once in a while. But it's just not enough for people anymore. And you know in the famous words of John Kennedy, ask -- ask not what you can do for your country -- or, what your country can do for you, ask what you can do for your country. And I really think that if the greatest generation -- the greatest generation is asking for my generation to bail them out, pretty consistently over the last couple years - you guys get secondary pensions; you guys get third pensions - it's time for everybody in this country to realize we're in it together. It's not a Democrat issue, Republican issue; it's a taxpayer issue. The taxpayers are right and that's who I work for.

PRESIDING OFFICER: (SENATOR SULLIVAN)

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

SENATOR MURPHY:

To -- to the resolution {sic}, Mr. President.

PRESIDING OFFICER: (SENATOR SULLIVAN)

To the resolution {sic}, Senator Murphy.

SENATOR MURPHY:

First, I'd just like to thank the previous speaker for his attribution of his quotes. That's always appreciated in the Chamber. The -- I -- I want to join the chorus thanking staff,

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

because I don't think people understand just how much goes into this and what a heavy lift it is, and -- and what professionals they really are and what they give up personally. And what Senator Biss said, about, you know, this -- this is their retirement they're impacting too, and they did it with integrity. And Kim Fowler and Erik Dillman, in particular, on our staff, I want to thank you publicly for everything you did in this process. And I also want to thank our conference committee members, Senator Brady, in particular, on my side for his statesmanship on this issue. But also you, Mr. Chairman, and -- and really all of us. It was -- it was an effort at really trying to solve a problem, and I was proud to be a part of it, and I appreciate the opportunity, Senator Radogno, for the chance to do that. None of that is -- and none of the -- the advocacy for this bill is to diminish or minimize the regret that I know people feel for the fact that we're here, and some have touched on it and I think it bears repeating. We've got a hundred-billion-dollar shortfall in promises that have been made to people. And it is immensely regrettable to me that we are here. But I continue to believe that letting people think that -- that they're going to be fine if all we do is make the payment is nothing short of a lie, because they're not going to be fine. A hundred billion dollars is three years of our total State budget. We need to fess up and admit that this thing is broken and has to be fixed in a meaningful way. I believe this is a meaningful way. A hundred and sixty billion dollars. We probably -- I know no one in here has ever voted on something that had a hundred-and-sixty-billion-dollar impact for taxpayers, and we probably will never have that chance again. Think about what we can do to turn this State around by saving our taxpayers a hundred and sixty billion

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

dollars. It can't wait and there's no time for excuses. The failure to act has a price. It's often easy to just say, "You know what? This little thing is not good enough for me. You should have done this piece of it better." "If only you would have done this just a little bit differently, I'd have been there." The truth of the matter is, this issue's too big for that level of nitpicking. We can cut off our nose to spite our face. But you know what you look like after you do that. The failure to act comes in the form of five million dollars a day in wasted taxpayer money. It comes with job loss. You think it's a coincidence that we have a hundred billion dollars hanging on our back and we also, despite all the advantage of this State, have the second-highest unemployment rate in the country? You think that's a coincidence? No. Stop coming up with excuses. There is -- a failure to act here will continue to have consequences, job loss and higher taxes. If you really think that by failing to get the savings that this bill will provide in our budget is going to increase the likelihood of a tax increase rather than decrease it, I think you've got a math problem. It gets exponentially easier to have the tax rates go back down, as has been promised, if we get the savings that this bill provides. If we don't, it's harder. Now, I've heard a couple of things out here. I want to touch on this transparency issue. And the Affordable Care Act is a dramatically different situation. This is an issue, pensions, that has been debated for years. There's no new issues in this bill. There's variations on ideas that have been around a while. But asking to delay this doesn't make any sense. Don't hide behind this transparency angle. If you don't like this bill, challenge it on the merits and come out here and debate why it isn't good enough or come up with your

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

own solution that'll pass this Chamber, that one, get signed by the Governor, and actually pass the court. But transparency, when you know full well you know what's in this bill, is nothing short of demagoguery. Don't do it. The issue's too important. The Tribune, the Tribune came out and endorsed this. At the end, they said, lawmakers, be the solution - stabilize this State's future, its credit rating and its business climate. Vote Yes, or declare that you're the problem. That's what they said, which is pretty clear. Business wants this because this has the opportunity to help start turning the State around, not because of a couple of companies getting a tax break to stay. That's ludicrous. Finally...

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Murphy, your time's expired.

SENATOR MURPHY:

I -- I'm wrapping up.

PRESIDING OFFICER: (SENATOR SULLIVAN)

If you will wrap up your -- your comments here.

SENATOR MURPHY:

Thank you. I appreciate it. I -- you know, I've always said to people back home -- what's it like down there in Springfield, you know, you've got all these people and you're fighting all the time? And I say, you know, I think most of the people are down here for the right reasons, because they want to have a positive impact. This is an opportunity to prove that. This is an opportunity to have an impact. Don't let politics and personal ambition keep you from being part of that solution. Step up and deliver for the people in our districts that want this issue solved once and for all. Have the courage to vote for this bill, as tough it is. I encourage a Yes vote.



STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

PRESIDING OFFICER: (SENATOR SULLIVAN)

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

SENATOR HUTCHINSON:

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

PRESIDING OFFICER: (SENATOR SULLIVAN)

Indicates he will yield. Senator Hutchinson.

SENATOR HUTCHINSON:

I have been studying. I've listened to all these remarks from everyone. I had -- I worked out some questions just because -- I need to apologize in advance that I am a law student, as well as a Senator. So this is going to go to court and I'm trying to keep this clear in my head as to what happens when this goes to court. So I had a couple of questions I wanted to ask as a result of that. Am I correct that the legislation intends to and will have a direct and substantial impact on the benefits of current employees and retirees by reducing their benefits?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Yes. You are correct.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

Is it also correct that this legislation is not part of some broader legislative program that addresses topics other than pensions and primarily reducing pension benefits?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

SENATOR RAOUL:

Yes. That's correct.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

We have about seven hundred thousand current Tier 1 employees and there's 12.8 million people in the State. So we're only talking about five percent of the people in this State that this bill is targeted to. Is -- I mean, is it fair to say that?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Yeah, approximately that.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

I know that one of the objectives of this legislation is really to improve the State's credit rating. Is that correct? I mean, that's why we're here.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

It -- it's one of -- one of -- one of the State's fiscal issues, yes, and one -- one of the objectives.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

So, then, is it fair to say that we are sacrificing a substantial amount of people's pension benefits to protect the

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

State's finances?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Yeah, I -- you know, that's a harsh characterization, but -- but I -- I suppose yes.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

When we talk about COGFA's testimony before the conference committee which explained that the State pension system's unfunded liabilities grew by over eight-seven billion dollars between '85 and 2012, they found that the primary cause of that was the failure of past General Assemblies and Governors to properly fund the pension system over several decades. So it's fair for us to say that we know how we got here and we know exactly how we got here. That's been debated over and over and over again. Would you agree with that?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Yeah, as I indicated in my opening remarks, those -- that history has compounded the problem.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

The bill's legislative statement states in the fourth paragraph that this "is intended to address fiscal issues facing the State and its retirement systems in a manner that's feasible".

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

So, by using the word "feasible", does that mean that there are other feasible alternatives to this bill?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Certainly there are. I mean, certainly, you know, as has been mentioned, a lot of these levers are -- are levers that can be tweaked one way or the other, and there are other proposals that were entertained by the conference committee. But -- but, you know, we're trying to move from a stalemate. So, yes, there are other alternatives, but, you know, this is an effort to move from a -- from a stalemate.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

So one of those alternatives was -- would have been to pass Senate Bill 2404 or a modified version of it?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Yes. We -- you know, as we passed 2404 before, it went nowhere in the House. We could have done an alternative of it. We could have done a great many of things, but this is what we've -- we've -- come to a compromise on to move -- move the State forward.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

Would another alternative be the proposal that the Center for

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

Tax and Budget Accountability outlined before the conference committee, which would have re-amortized the current unfunded liabilities to a new gradual lever {sic} dollar payment schedule to achieve well over eighty percent by 2059?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Yes. The Center of Tax -- the center that you talked about, they came before the conference committee, as well as did -- did others with -- with different proposals. So that -- that and many other things could have been possible alternatives.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

There's another statement in the legislative statement that says, "Having considered other alternatives that would not involve changes to the retirement systems, the General Assembly has determined that the fiscal problems facing the State and its retirement systems cannot be solved without making some changes to the structure of the retirement systems." What does that mean, about considering other alternatives not involving changes to the retirement systems?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

I believe that phrase just reflects the climate of the General Assembly. And it makes it -- it reflects the fact that it's unlikely that the General Assembly would consider, at this time, increased revenues or the necessary cuts that -- that would achieve

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

this.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

So we should be clear that that statement should not mean -- or does not mean that we've exhausted every other thing that we could have done to solve this issue.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

As I've indicated before, there -- there -- there was all sorts of proposals and there are all sorts of different things; however, we've reached a point of stalemate and I think this pathway is a -- the most feasible pathway to move us forward.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

The last sentence of the fourth paragraph of the legislative statement says, "As a result, this amendatory Act requires more fiscal responsibility of the State, while minimizing the impact on current and retired State employees." Is the last phrase of that sentence referring to the fact that the legislation is actually reducing the pension benefits of current employees and retirees?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Can you restate that? I'm sorry.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

SENATOR HUTCHINSON:

The last sentence of the fourth paragraph says that "As a result, this amendatory Act requires more fiscal responsibility of the State, while minimizing the impact on current and retired State employees." Is the last phrase of that sentence referring to the fact that the legislation is reducing the pension benefits of current employees and retirees?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Yes.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

So that phrase also states that the legislation is "minimizing the impact on current and retired State employees". So by using "minimizing", does that mean that the legislation is somehow the least restrictive means available to us?

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Raoul.

SENATOR RAOUL:

Yeah, I -- you know, I don't know what the least restrictive means are. I -- I think what we're doing just reflects what the political climate is. Again, I've -- I've -- I've said, time and again, that we've been cemented in a stalemate, and I, for my part, don't want to see the State sink as a result of that stalemate. So, it may not be the least restrictive means, but the political climate, I believe, allows for us to -- to -- to take the step that we're -- we're hopefully now taking.

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

PRESIDING OFFICER: (SENATOR SULLIVAN)

Senator Hutchinson.

SENATOR HUTCHINSON:

Thank you. Thank you very much, Senator Raoul. And briefly to the bill: This is -- because this is a heart-wrenching decision and because I have so much respect for how -- how much work has gone into this by so many people, I'm not going to stand here and use a whole lot of hyperbole to talk about the people who are going to vote Yes on this bill. I'm standing here because I'm going to vote No on this bill. And it's really simple. During the 1970 Constitutional Convention, the delegate that carried this, her name was Helen Kinney, and she specifically said that the intention was simply to give public employees a basic protection against abolishing their rights completely or changing the terms of their rights after they've embarked upon employment, or lessening them. That was why the phrase was included. That was why it was debated as much as it was. That is why it is in the same Constitution that I raised my right hand and swore to uphold, along with the United States Constitution. I cannot abrogate my responsibility for that here today. This is -- if this were only about picking the bill that saves the most money, we'd all pick the bill that saves the most money. We'd all do that. But it's not. It's about taking people's retirement benefits right when they need 'em the most, after they have worked hard and earned those benefits. They earn those benefits. And if we don't respect the basic modicum of contract law, then we have a whole lot of other problems that we have to solve. Like maybe we could just rewrite all those underwater mortgages. Those are contracts. Last time I checked banks and chambers didn't want us to do that, because those are



STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

contracts. Those contracts are sacrosanct. This contract is not. I have a problem with that. This -- for those people who say we're not constitutional lawyers, we don't know what's going to happen, I'm not a constitutional lawyer - I'm -- I'm really not - but I can read, and it's in the Constitution. Please vote No.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you. Our last speaker seeking recognition, Leader Radogno. For what purpose do you rise?

SENATOR RADOGNO:

Thank you, Mr. President. To the bill: Well, like many speakers before me, I want to start by thanking the numerous people that have been involved in this process and put in a tremendous amount of work, both Members as well as staff. I particularly want to thank President Cullerton, as well as the Leaders in the House. This certainly has not been an easy negotiation. We're very cognizant of the fact that this is not just a numbers issue, but it's a people issue as well. To address some of the previous speakers' concerns, however, I do not believe we can possibly begin to address the financial situation of this State if we don't address the pension system. The fact of the matter is, a lot -- a lot has been made over the fact that this is not a perfect bill, but it is a good bill and it is one that has meaningful reforms in it and it's one that saves a meaningful amount of money, both in the short term and in the long term. This is the one opportunity that we have to finally, finally address the most important economic issues that are facing this State, and that includes our credit ratings, our financial position, our jobs climate, and, frankly, our reputation in the global economy. This is one opportunity we have today to finally bring some stability and

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

predictability to Illinois, to the budget, to the very retirees, who I understand that we are impacting. They will be able to count on the benefits once we pass this bill. This will help our vendors. It will help our job creators, who are looking to invest here, because we have so many other assets in this State. During this process, certainly some people wanted more, some people wanted less and, quite frankly, some people want this to be a political issue, which it should not be. Remember, this is a result of bipartisan and bicameral negotiations. It should be a model for how we approach other issues going forward. This is clearly not the only step we need to take. This will stabilize the pension systems, but, as has been pointed out, we have numerous other budgetary problems. The issue's been raised, why does only a small amount of the savings go towards the reinvesting in the pension system? Because we want to be in a position to be able to sunset the tax increase and to fund the other critical services that we have to fund in this State. There's a lot of reasons to vote No on this bill. A lot of excuses that can be made: The constitutionality, to which I say, let's get it to the Supreme Court and that will be answered once and for all; the transparency issue, which I think is -- is a weak argument; the process, that maybe there's a better way to do this. But we have one opportunity today. Interestingly, today is Illinois' birthday, and I think that the best possible birthday present that we could give this State and the people who live in it is a vote for comprehensive pension reform. I challenge everyone here to seize this moment and vote Yes on this important bill. Thank you.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Thank you, Leader Radogno. Senator Raoul, to close.

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

SENATOR RAOUL:

In my opening, I -- I -- I thanked some folks and I neglected to thank our staff, Maurice Scholten and Eric Madiar, who spent hours and hours and hours and hours, on top of hours and hours and hours, working on this. As -- as Senator Biss pointed out, the -- the conference committee process increased my hope. It increased my hope of what we can do going forward on a bipartisan basis. I think I got to know some Members of the -- of this Chamber a lot better than I thought that I -- I knew them. And -- and got to know that despite differences, that we could work together towards compromise. Would it -- did I foresee six months ago that I'd be standing here presenting a bill that would seek to save a hundred and sixty billion dollars and get us to fully funded over thirty years? No, that wasn't foreseeable. What was foreseeable was that when we made the decisions that we made as a Legislature, past legislators -- Legislatures and past Governors, when we made the decisions to credit card off the pension funds, it was foreseeable that we would get into the crisis that we're in right now. And it's those types of practices that have brought us to the political stalemate that we've been in. It's been said that the test of courage in this building is not the ninety percent of votes that we commonly all press green lights on in unison, it's those other ten percent or less that we struggle as to whether we're going to press a green, red or yellow light. But it's those -- it's those decisions that distinguish leaders. And I think we were all sent here to be leaders. Essential State services, the solvency of our pension funds, our declining bond rating, budgetary priorities, and, yes, the promises Illinois has made to its public employees are all at stake today. This vote is perhaps the most

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

difficult many of us will take, but at the end of the day, now that the actuaries have spoken and the experts have spoken and the public has spoken and the media has spoken, and many -- many people said today that this has not been transparent, this hasn't been discussed. Come on. There's not a day you could have picked up a newspaper or turned on the radio or turned on the TV and not had -- had to listen, or turn on your computer and look at the Capitol Fax, and not had to listen or -- or see something about this issue. And the elements that we're discussing today are not new elements. As -- as it's been said, they've been tweaked, but they're not new. You know, we can -- you know, a majority of us could vote No and we can stay in the stalemate that we're in and drive our State into an abyss, where we won't be able to appropriately fund education and we'll have to pack classrooms. We'll have to cut human services from those who desperately need 'em. And I confess that, you know, if I had my druthers, if this was just -- if I can control thirty buttons here today, I confess, this -- this would not be the bill that I presented. I've been on record talking about what I individually believe would be a better constitutional approach, but I'm not naive. I wasn't naive when I took the helm of the conference committee, nor was I naive when I came here to the General Assembly some nine years ago, that I could just come here and every day just do what I want individually. That's not a democracy. Democracy involves give-and-take. It involves compromise. And sometimes, through that give-and-take process, that compromise process, you end up with a product that can still save the State but is not what you would ideally have proposed if you individually put it forth. As a legislator, I've sworn to uphold the State Constitution, and I'm responsible to all the

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

residents of the State, including public employees. Illinois' fiscal -- fiscal crisis is not merely a pension crisis, as has been said by others. And it would be wrong to force State workers and retirees to right this ship alone. There's a difference, while the savings level is similar with the adjustment that was recognized by the TRS actuaries to Senate Bill 1, there's a difference as to how we got there. Less of that burden was put on the back of public employees and retirees through compromise. To those who say the plan goes too far, I say that certain consequences of inaction, or ineffectual action, jeopardize the financial security of the public employee far more, far more, than what we're doing today. If we don't do this, a -- a -- a State staffing level, that's probably the most modest in the United States of America per capita, will have to be sliced even more. As Leader Radogno pointed out, there's all sorts of reasons you can concoct or genuinely believe to vote against this. But I urge you, on behalf of the State, on behalf of the State employees and on behalf of the taxpayers, let's move this thing forward. I urge you to vote Aye.

PRESIDING OFFICER: (SENATOR SULLIVAN)

Ladies and Gentlemen, this is final action. The question is, shall the Senate adopt the Conference Committee Report No. 1 on Senate Bill 1. All those in favor will vote Aye. Opposed, Nay. The voting is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Secretary, take the record. On that question, there are 30 voting Aye, 24 voting Nay, 3 voting Present. And the Senate does adopt Conference Committee Report No. 1 on Senate Bill 1. The bill, having received the required constitutional majority, is declared passed. Pursuant to Senate

STATE OF ILLINOIS  
98th GENERAL ASSEMBLY  
FIRST SPECIAL SESSION  
SENATE TRANSCRIPT

2nd Legislative Day

12/3/2013

Joint Resolution 1, the First Special Session of the Senate stands adjourned to the call of the President.