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The following is a general overview of the legislative activity occurring during the Illinois General Assembly's 2005 regular session. Reports also include detailed information about legislative activities of direct interest to each client.

CLIENT REPORT FOR 2005 END OF SESSION

The Illinois General Assembly concluded its 2005 spring session on May 31, 2005 – less than one hour prior to midnight on the constitutional adjournment deadline.

The 2005 spring session began with continued acrimony between the three Democrat leaders and a continued alliance between House Speaker Madigan and the two Republican caucuses. The session ended in an opposite fashion – with an agreed budget between the Democrats. No Republicans voted for any of the budget bills. The agreement between the Democrats resulted in the General Assembly meeting the constitutional adjournment deadline of May 31 for the first time since Governor Blagojevich was elected.

On a statistical note, the 2005 regular session displayed a high volume of activity. There were 6,209 bills introduced (4,085 House Bills and 2,124 Senate Bills). A total of 715 measures were passed by the General Assembly this year, 301 more bills than passed during the 2004 spring session. 699 bills passed during the spring 2003 session.

This end-of-session report highlights legislative activities from the now-concluded 2005 regular session that may be of *general interest*, as well as such activities that are of *specific interest* to you.

I. GENERAL OVERVIEW OF SESSION

The final two days of the 93rd General Assembly convened on Monday, January 10 and adjourned on Tuesday, January 11. Those two days were active, with a number of major issues being considered. Among the items that passed to the Governor were: legislation amending the Human Rights Act to ban discrimination against homosexuals, legislation allowing for employees who are locked out to be eligible for unemployment insurance under some circumstances, and a supplemental appropriations bill providing appropriations for capitol security, families of soldiers killed in the line of duty, and funding for consolidating school districts, among other items.

Considered, but not approved, were measures to provide a surcharge on certain county filing fees to be used for an affordable housing grant program, a controversial workers compensation reform proposal, and legislation mandating the hiring of displaced building service workers. Two of those issues would be addressed during a busy and eventful first year of the 94th General Assembly.

The 94th General Assembly was officially sworn in at Noon on Wednesday, January 12. The partisan makeup of each house was altered by one seat in each chamber. In the Senate, Democrats hold a 32-27 majority, and in the House, Democrats hold a 65-53 majority. Among the changes in the Senate, Gary Dahl (R-Peru) replaced 22-year incumbent Pat Welch (D-Peru) and Kwame Raoul (D-Chicago) replaced Barack Obama (D-Chicago), who resigned following his election to the U.S. Senate. Larry Walsh (D-Joliet), resigned his seat following his election as the new Chief Executive of Will County. Senator Walsh was replaced by Arthur Wilhelmi (D-Crest Hill). Longtime Senator Denny Jacobs (D-East Moline) resigned his seat, with his son, Mike Jacobs (D-East Moline) being appointed to fill the remainder of his term.

In the House, Aaron Schock (R-Peoria) replaced eight-year incumbent Ricca Slone (D-Peoria), Michelle Chavez (D-Cicero) replaced first term Representative Frank Aguilar (R-Cicero), and David Reis (R-Effingham) replaced first term Representative Bill Grunloh (D-Effingham).

The 2005 spring session adjourned on the constitutional adjournment date of May 31 – four days after the scheduled adjournment date of May 27. Under the Illinois Constitution, to become effective prior to June 1 of the next calendar year, a bill must pass before June 1 of the previous year unless it is passed by a three-fifths majority of both chambers (71 votes in the House and 36 votes in the Senate). The Democrats control the Senate by a 32-27 margin, and the House by a 65-53 margin. With the General Assembly passing the budget, before the deadline of May 31, the minority caucuses – House Republicans and Senate Republicans – were not necessary to pass a budget. In fact, not one Republican voted for the Fiscal Year 2006 (“FY06”) budget.

A. THE BUDGET

The Illinois General Assembly passed a final budget package for FY06 of between \$54 billion and \$58 billion – depending on whom you ask. The Governor, House Democrats and Senate Democrats each have different figures for the total spending included in the budget. The General Assembly, for the second consecutive year, did not pass a capital appropriations bill. A capital appropriations bill was considered in the Senate; however, that bill did not have a defined revenue source associated with the bonds that would be issued and did not gain enough votes to pass. Because that bill would increase state debt through the issuance of bonds, a 3/5 majority was necessary and was not reached.

The budget process began this spring as it has each of the past four springs – with the state facing a structural deficit. For FY06, the deficit was estimated to be between \$1.1 and \$2.2 billion.

Governor Blagojevich presented his annual State of the State speech in front of a joint session of the General Assembly on Thursday, February 3. In the address, the Governor recounted successes from his first two years in office and also discussed his vision for the State in the coming year. The address outlined a few budget priorities, but left most of the budget discussion for his upcoming Budget Address. The Governor addressed the following topics in his State of the State speech:

- **Economic Opportunity.** The Governor announced plans to: (i) expand his Opportunity Returns program to the Central, East Central and Southeast regions of the State; (ii) spur Illinois economic activity in homeland security-related fields; (iii) require a renewable energy standard that requires that by 2012, 8% of electricity sold in Illinois is renewable (at least 75% of the renewable energy must come from wind power); (iv) promote the building of the Prairie State Power Plant in Washington County by Peabody Energy, which will have technology to more cleanly burn Illinois coal; (v) continue work on O'Hare expansion and the new airport at Peotone; (vi) partner with the private sector to expand world trade in Illinois; (vii) reform the workers compensation system in Illinois, starting with preventing fraud; (viii) launch a regulatory reform effort to streamline the cost of doing business in Illinois; and (ix) partner with local chamber of commerce's to create a small business health care pool.
- **Health Care.** In the area of health care, the Governor made a number of new proposals. Those include: (i) finding a solution to the medical malpractice problem in the State; (ii) lowering the enrollment age for his prescription buying club for seniors and increasing marketing for the program; (iii) looking to raise awareness of heart disease; (iv) launching the Illinois Healthy Women

program to help women avoid unplanned pregnancies; and (v) creating a grant program and other initiatives to help reduce the nurse shortage in Illinois.

- **Education.** The Governor discussed the ongoing changes taking place at the State Board of Education following his initiative last year to reform the Board and announced plans to increase funding to allow 17,000 more students, including children of undocumented immigrants, to attend preschool.
- **Quality of Life.** The Governor outlined a number of initiatives aimed at improving the quality of life of Illinois families. Among those plans are: (i) continuing with his plan to increase tolls and reduce congestion on Illinois tollways; (ii) increasing the speed and reliability of the child support program; (iii) working with employers to educate employees on their responsibilities; (iv) launching a program to keep violent and sexually explicit video games from children; (v) and hiring additional veteran affairs employees to better serve veterans.

On Wednesday, February 16, the Governor presented his FY06 budget to the General Assembly. The proposed budget addressed what the Governor's Office of Management and Budget estimated as a \$1.1 billion FY06 budget deficit. The proposal contained approximately \$43.56 billion in operating expenses and approximately \$9.5 billion in capital spending.

The Governor identified three major budget areas whose increasing annual costs substantially impact the state's finances. To address these rising costs, the Governor proposed the following reform initiatives:

- **Restructuring of Pension System.** The state's pension obligations increase annually. Last year, the Governor established a pension reform commission to address pension funding issues. Based on the commission's report, the Governor proposed the following changes to the pension program:
 - Limit automatic cost-of-living adjustments to the rate of inflation or three percent, whichever is less, for new hires.
 - Eliminate the money purchase option available only to members of the State University Retirement System, applicable only to new hires.
 - Cap the amount of interest current employees can make on the money purchase option.
 - Allow only sworn police officers into the alternative formula that gives enhanced retirement benefits to some state workers, applicable to new hires.
 - Require state workers with eight years of experience to be 65 years old to qualify for full pension benefits.
 - Make 60 the minimum retirement age to avoid a reduction in pension benefits, regardless of years of service.

- Require school districts to cover increased pension costs of employees who are given large pay raises shortly before retirement. The state would cover only increased pension costs resulting from raises of up to three percent annually during the final four years of employment.
 - Not require any increased contributions from public employees.
- Medicaid Program. Medicaid costs increase approximately 10 percent per year due to the rising cost of healthcare. To contain these costs, the Governor proposed the following changes to the Medicaid program:
 - Work with doctors to prescribe more generic drugs.
 - Keep hospital payments at current levels.
 - Move Illinois seniors on Medicaid to the new federal prescription drug program, with the state providing a safety net if there is an increase in out-of-pocket, deductible or co-pay expenses.
 - State Employee Health Insurance Program. Rising healthcare costs also affect employee healthcare. To address this issue, the Governor proposed the following changes to the employee health group insurance program:
 - Direct the Department of Public Aid (newly-named the Illinois Department of Healthcare and Family Services) to negotiate state payment rates that mirror those received by private sector insurers.
 - End the practice of each state agency negotiating separately for health care services, and pool the buying power of every state agency. The Department of Healthcare and Family Services would handle the negotiations with healthcare providers.
 - Require eligible state retirees to take advantage of the federal prescription drug benefit program.
 - Other Reform Initiatives. In addition to the above reforms, the Governor proposed several other initiatives to control costs and stream line government:
 - Pay-As-You-Go System. Require anyone who proposes new spending, including the governor, constitutional officers and lawmakers to identify ways in which the state would pay for the additional spending.
 - Prison System Review to Reduce Recidivism. Establish a group of civic leaders and elected officers to review the prison system and develop ways to reduce recidivism. Rev. Jesse Jackson and Peoria County State's Attorney Kevin Lyons have been designated commission chairs.

- State Agency Consolidation. Establish a working group to look at how many state agencies are needed, and whether more can be consolidated.

In his Budget Address, the Governor presented his capital budget plan for FY06, in which he identified the following proposed capital projects:

- Re-authorizing the school construction program, a \$500 million investment.
- Investing \$50 million for a new, school maintenance program.
- Various road projects and other infrastructure needs.

The Governor proposed a spending plan, and, in keeping with his “pay-as-you-go” proposal, a way in which the state would pay for the new spending.

- Structural Deficit. The Governor proposed eliminating the \$1.1 billion structural deficit by: *(i)* reforming the pension, Medicaid and employee health insurance programs, saving \$900 million in FY06; *(ii)* savings generated at the Illinois Department of Central Management Services; *(iii)* better tax enforcement; and *(iv)* increased federal revenues.
- School Endowment Fund. The Governor proposed to invest in K-12 education and early childhood education by creating a School Endowment Fund. This fund would pool the surpluses of special funds, and invest the \$420 million balance over a three-year period. After three years, new surpluses will build and that balance, over time, will also go to schools. He specified that this proposal does not apply to the Road Fund, bond funds, pension funds, debt service fund, federal trust funds or local government funds, among others.
- Capital Program and Increase FamilyCare Enrollment. The Governor proposes to increase FamilyCare enrollment and to invest in capital projects. To do so, the Governor suggested increasing cigarette and cigar taxes.
- Mass Transit and Illinois Department of Natural Resources. The Governor proposed to: *(i)* assist Chicago Transit Authority (“CTA”) to avoid service cuts, as well provide assistance to mass transit across the state by taxing corporations on computer software (generating \$65 million); and *(ii)* fund conservation programs and restore reductions at the Illinois Department of Natural Resources through a tax on landfill-generated electricity (generating \$17 million).

Following introduction of the Governor’s budget, the General Assembly’s Appropriation committees began hearings on the substance of the proposed budget. Once again this session, the Governor was mostly absent from Springfield, resulting in a long

lapse before any real negotiating sessions began between the Governor and the four legislative leaders.

The negotiation process began in earnest, based upon the Governor's introduced budget and proposals and recommendations generated by the four legislative caucuses, in early- to mid-May. It became clear in those meetings that a number of the Governor's proposals would not be part of the final budget package – including some of his pension reforms, the cigarette tax, and the software tax. A later proposal by the Governor to expand gaming positions at existing riverboats to fund education also was not seen as viable.

As the scheduled adjournment date approached, a budget plan was coming together that would have included modest pension reforms, a small “pension holiday” where certain pension payments by the state were skipped, and an expansion of gaming to allow additional gaming positions at riverboats and allow slots at horse racing tracks. The gaming portion of that budget plan was scuttled due to strong opposition by the Republican caucuses and by Chicago Mayor Richard Daley, who wants a land-based casino for Chicago included in any expansion of gaming.

Surprising many observers, on the Thursday prior to scheduled adjournment, it became known that Governor Blagojevich, Senate President Jones and House Speaker Madigan had come to an agreement on a budget plan that they believed could pass with only Democrat votes. In the end, this is exactly what happened. On two occasions, it looked possible that no budget bill would pass. In the House, the first budget-related bill called failed to pass when members of the legislative Black Caucus voted “present” to protest a lack of inclusion in the budget process. Speaker Madigan met with the Black Caucus all afternoon on Tuesday, the final day to pass the budget prior to Republican votes being necessary, and was able to come to an agreement with them by early evening to allow the budget bills to proceed.

In the Senate, legislation giving the state an additional \$100 million by holding the state harmless on riverboat revenue with the increased gaming tax set to expire this year, failed to pass and needed to be recalled for a second vote. When both chambers adjourned, however, all the necessary budget bills had passed both houses, allowing the session to adjourn prior to June 1.

There has not been a detailed analysis of the budget released yet as neither the two legislative leaders nor the Governor released an analysis. Further, the short window in which the budget was developed and passed (the spending portion of the budget, for example, was not filed until the last day of the session) has not allowed time for a detailed analysis to be completed by budget experts. Below please find a summary of the known parts of the FY06 budget.

The Revenue Plan

In order to close an estimated \$1.1 billion deficit and spend an additional \$1 billion during the upcoming fiscal year, the following revenue enhancements were passed:

- A two-year pension holiday, giving the state an extra \$1.2 billion this year and \$1.1 billion next year for state expenditures. For FY06, state owed pension payments are about \$2.1 billion. The proposal relies on possible future savings from pension reforms to offset the need for the full pension contributions and allow that revenue to be spent elsewhere. The pension reforms on which the savings are based are:
 - o Cap end-of-career raises for teachers and school administrators at 6 percent, effective as current contracts expire.
 - o Eliminate the money purchase option available to future members of the State University Retirement System and provide oversight for the current plan.
 - o Exclude some state employees from participating in the alternative pension formula, which boosts benefits for workers in dangerous jobs, such as state police officers.
 - o Institute a moratorium on any new pension benefits unless a full funding source is identified.
 - o Eliminate the practice of converting unused sick leave to pension credit.
 - o Set up a task force with representatives of the governor's administration and labor interests to negotiate issues such as cost-of-living adjustments and retirement age.
- Lengthening the payment cycle of the 2002 state early retirement plan from 10 years to 40 years, saving nearly \$200 million per year.
- Lowering the highest tax rate for riverboats from 70% to 50% and reducing the head tax on the lowest volume boats, while instituting a "hold harmless" provision so that if less revenue is received in FY06 than in FY05, the riverboats will make up the difference. The 70% tax rate was due to sunset this year, so this "extension" brings in over \$100 million.
- \$250 million from changes to Medicaid programs and group health insurance savings.
- \$160 million swept from over 200 state dedicated funds.
- \$150 million from a variety of unspecified cuts and revenue enhancements.
- \$200 million from expectations of higher tax collections next year due to an improving economy.

The Spending Plan

Among the spending priorities of the budget are:

- An additional \$320 million for elementary and secondary schools, including a \$200 increase in the per pupil spending amount. Also included is an additional \$30 million for early childhood education programs, \$12.2 million for new after-school and mentoring programs, and \$3 million for a new vision-care program targeting Chicago school children.
- \$46 million for the Chicago Transit Authority.
- \$34 million to provide a 3% cost of living increase for community based providers that offer programs for the developmentally disabled, mentally ill and substance abusers.
- \$10 million to downstate mass transit authorities (earned mostly by moving transportation for the disabled services into Medicaid match programs).
- \$10.5 billion for construction projects carried over from previous fiscal years, including a \$1.725 billion road program.
- \$16.3 million to expand eligibility in FamilyCare and KidCare, adding between 56,000 and 74,000 persons.
- Restoration of \$472,900 for crisis nurseries and \$1,891 million to the Great Start program.
- An additional \$90,000 for Rape Prevention/Illinois Coalition Against Sexual Assault.

B. MEASURES THAT PASSED

In this first year of the 94th General Assembly, a broad range of issues were considered, with many long-sought changes passing to the Governor for the first time. This was an extremely active legislative session in which some major issues were passed. A number of noteworthy items passed. Those include:

- ❖ Long-awaited legislation to deal with the problem of high medical malpractice insurance rates causing physicians to leave the state. Among the provisions in the legislation are: caps of awards for non-economic damages for physicians at

- \$500,000 and for hospitals at \$1 million; authorization for the Department of Financial and Professional Regulation to, at the Director's discretion, hold public hearings on medical malpractice rate increases and a requirement for hearings for rate increases greater than 6% over the previous year (or if 25 or 1% of the insurer's Illinois policyholders demand a hearing); an increase in the number of State investigators of physicians; the posting of physician profiles on the Internet; and a requirement, prior to filing a lawsuit, that a plaintiff provide for a report completed by a physician that a medical malpractice case has merit.
- ❖ Legislation amending the Clean Indoor Air Act to allow local communities to more strictly regulate smoking in public places than allowed by the State law. When the Act originally passed in 1989, it only allowed the 20 municipalities (including the City of Chicago) that had more restrictive ordinances in place to maintain more stringent regulation.
 - ❖ Changes to the Workers Compensation system in Illinois. Following a session-long agreed bill negotiation process, legislation advanced to update and reform the Workers Compensation system in Illinois. That legislation was agreed to, among others, by the Illinois Construction Coalition, Illinois AFL-CIO, Illinois Manufacturers' Association, Illinois Retail Merchants Association, National Federation of Independent Businesses, Illinois Chamber of Commerce, and Chicagoland Chamber of Commerce.
 - ❖ Compromise firearm legislation that requires background checks of buyers of firearms at gun shows and which requires gun-purchase records to be destroyed after three months; legislation prohibiting local governments from regulating transportation of firearms; and alternative legislation which requires background check of buyers at gun shows, but does not destroy the purchase records.
 - ❖ Legislation leveraging federal Medicaid reimbursements for hospitals by implementing an additional \$730 million assessment on hospitals to receive a \$1.4 billion return.
 - ❖ A prohibition on operating a motor vehicle if a video screen or television is operating and is located forward of the back seat or within view of the driver.
 - ❖ Comprehensive legislation to regulate payday lenders.
 - ❖ New and revised statutes concerning personal information, such as: notification of individuals when an institution that keeps personal data experiences a breach of security where personal data is lost; prohibitions on the use of social security numbers; the creation of a social security number protection task force; creation of security freezes on credit reports for consumers who are the victims of identity theft; and increased criminal penalties for identity theft.

- ❖ Criminal penalties for businesses or individuals who falsely represent as a minority- or female-owned business.
- ❖ Affordable housing legislation funded by a fee on real estate documents filed with county recorders. The legislation authorizes subsidies for landlords who charge affordable rent for low-income tenants and provides grants to developers of affordable rental housing. A second affordable housing measure creates broad new powers for municipalities and counties for creating housing authorities and authorizing loans for affordable housing.
- ❖ Legislation granting broad new authority to the Illinois Environmental Protection Agency and providing for enhanced community notice in the event of a release, or potential release, of a contaminant.
- ❖ A new requirement upon pharmacies that, upon request, they must disclose the current usual and customary retail price of any brand name or prescription drug or medical device that the pharmacy offers for sale to the public.
- ❖ A new job-buyout program for state workers, giving certain categories of employees the opportunity to receive double their pension investments, plus interest, in exchange for dropping out of the state employee pension program. The program is limited to 500 employees.
- ❖ Agreed legislation between pro-life and pro-choice advocates on the definition of “born alive.”
- ❖ A new Regional Planning Board responsible for developing and adopting a funding and implementation strategy for integrated land use and transportation planning for the northeastern Illinois region.
- ❖ A plan initiated by Governor Blagojevich to ban the sale and rental of violent or sexually explicit video games for those under 18.
- ❖ Mandating that a person wait 24-hours prior to purchasing a stun gun or taser and that a person have a valid Firearm Owners Identification Card in order to acquire or possess a stun gun or taser.
- ❖ Efforts aimed at assisting Illinois military personnel and veterans, such as: making grants for higher education more readily available; allowing early termination of cell phone contracts, prohibiting termination of certain utility services, and preventing insurance companies from forfeiting deployed active service members’ life insurance policies for not paying premiums; providing a protocol for students in higher education who are called to active duty; and legislation allowing that active duty members of the National Guard would not be delinquent on property taxes until 180 days after returning home.

- ❖ An omnibus Election Code bill that, among other items, allows people to register to vote in legislators' district offices, give some workers time off from work to vote, allows early voting prior to Election Day, increases the nominating signature requirements to run for the state legislature, changes restrictions on absentee voting, and lowers the number of nominating signatures for Chicago mayoral candidates.
- ❖ A variety of measures dealing with methamphetamine, including: creation of a methamphetamine abusers treatment pilot program at the Franklin County Jail; a \$100 fine for methamphetamine-related crimes to reimburse law enforcement agencies for their efforts to combat methamphetamine; development of a protocol to be used when a methamphetamine producer is arrested and children are present or children are exposed to methamphetamine production; a protocol for methamphetamine lab clean up; and an agreed bill creating the Methamphetamine Control and Community Protection Act.

C. MEASURES THAT DID NOT PASS

While many noteworthy measures passed, a number of other important items were considered, but did not pass both houses. Those include:

- ❖ A massive governmental ethics and campaign reform proposal presented by the Governor that would, among other items: cap individual (\$2,000), state party (\$5,000), and PAC (\$5,000) contributions per election; ban corporate and union contributions; mandate disclosure of more detailed information about public office holders' financial holdings and conflicts of interest; bar former lawmakers and state employees from lobbying for a year; prohibit law, consulting and lobbying firms that have contracts with the state from providing income to members of the legislature, state employees and board appointees; and prohibit family members of state employees from lobbying the state or serving in paid positions on state boards or commissions.
- ❖ Proposals to allow judges to carry concealed weapons.
- ❖ A much-discussed expansion of legal gaming in Illinois that would have allowed for a land-based casino owned by the City of Chicago, three new riverboat licenses for Rockford, Waukegan and Calumet City, and allowed for slot machines at horse racetracks.
- ❖ A scheduled re-write of the state's telecommunications laws. The legislature passed legislation extending the current Telecommunications Act sunset for another two years.

- ❖ A new school aid formula. Senate President Emil Jones made a strong push for legislation that would increase the income tax on individuals and corporations and relieve the pressure on local funding for education. While that legislation passed out of a Senate committee, it was never called for a vote on the floor. An additional \$320 million in funding was provided to elementary and secondary school districts, and the per-pupil foundation level increased from \$4,964 to \$5,164 per pupil.
- ❖ Language creating the Illinois Consumer Choice of Benefits Health Insurance Plan Act to provide that insurers and employers may offer policies of accident and health insurance that do not provide state-mandated health benefits.
- ❖ A comprehensive plan to regulate wetlands in Illinois previously under the protection of the United States Army Corp of Engineers.
- ❖ New requirements on movie theatres to display separate preview and movie start times.

II. GOVERNOR'S ACTION ON BILLS

Under the Illinois Constitution, the General Assembly has 30 days in which to present a bill to the Governor after final passage. The Governor has 60 days after receipt of a bill in which to act – inaction beyond the 60-day period results in the bill automatically becoming law.

Typically, the Governor assigns a “bill review team” to analyze any measure that reaches his desk. The review team usually consists of one representative from each of the following areas of the Governor’s office: Legislative Affairs, Office of Management and Budget, Policy Staff, Press Staff and Legal Office. Affected administrative agencies typically are also represented.

III. VETO SESSION

The 2005 veto session has been scheduled for October 19 (a perfunctory session day when veto messages are simply read into the House and Senate records); October 25, 26 and 27 (when vetoed and amendatorily vetoed House Bills are considered in the

House and vetoed and amendatorily vetoed Senate Bills are considered in the Senate); and November 2, 3 and 4 (when vetoes overridden, or accepted in the case of an amendatory veto in the original chamber, are considered in the other chamber).

There are three types of vetoes in Illinois: (a) total vetoes, where the Governor disapproves a bill in its entirety; (b) amendatory vetoes, where the Governor makes changes to the bill that, in turn, must be approved by the General Assembly; and (c) line-item or reduction vetoes, where the Governor disapproves or reduces certain line items in an appropriation bill, with the non-vetoed portions taking effect as law without further action by the General Assembly.

The General Assembly may override a total or amendatory veto by a three-fifths vote in each chamber, or it simply may kill the vetoed bill by refusing to pass any motion on the veto. Amendatory vetoes may be accepted by a majority vote in each chamber. A line item reduction veto takes effect if not restored by the General Assembly. The General Assembly may restore a line-item reduction by a simple majority in both chambers.

IV. CONCLUSION

It has been our privilege to serve you in Springfield this past session, and we hope the foregoing is useful in summarizing the 2005 legislative activities of interest. Should you have any questions or concerns, or if you require copies of bills or other legislative materials, please do not hesitate to call.

Very truly yours,

MORRILL AND ASSOCIATES, P.C.