

ANNUAL REPORT OF 1979

A REPORT TO THE
ILLINOIS GENERAL ASSEMBLY



BY THE
ILLINOIS LEGISLATIVE INVESTIGATING COMMISSION

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TO: HONORABLE MEMBERS OF THE GENERAL ASSEMBLY

Our 1979 Annual Report is submitted pursuant to Section 7 of the Illinois Legislative Investigating Commission Act. This is a detailed report of our investigations--both completed and pending, recommendations for legislation, recommendations for administrative action, a list of the Commissioners and employees, and an account of all monies received and disbursed in calendar year 1979.

Our appropriation from the General Assembly for fiscal year 1979 was \$571,300. Our appropriation for fiscal year 1980 is \$561,900. During the calendar year our disbursements totalled \$483,125.01.

The Commission is gratified by the General Assembly's faith in our capability to undertake the wide range of investigations we have been assigned. We welcome the opportunity to continue to serve you and offer our assistance in developing resolutions for any investigation that might be assigned to our Commission.

We stand ready to assist any legislator interested in sponsoring the Commission's legislative recommendations which are found in our final reports.

Respectfully submitted,

Co-Chairman:
Rep. James C. Taylor

Senate Members:
*Karl Berning
Prescott E. Bloom
Jeremiah E. Joyce
Samuel C. Maragos
James "Pate" Philip
Frank D. Savickas*

House Members:
*Jane M. Barnes
Clarence A. Darrow
Aaron Jaffe
Peter P. Peters
W. Timothy Simms*

Acting Executive Director:
Ronald Ewert

THIS REPORT IS RESPECTFULLY
SUBMITTED PURSUANT TO
SECTION SEVEN OF THE
ILLINOIS LEGISLATIVE
INVESTIGATING COMMISSION ACT

Chapter 1

OVERVIEW

A. History

The Illinois Legislative Investigating Commission (ILIC) is the investigative arm of the Illinois General Assembly. Its predecessor was the Illinois Crime Investigating Commission, created by an Act of the 73rd General Assembly on July 1, 1963. The Crime Commission originally had two specific powers: to investigate organized crime, and to investigate official misconduct.

In its early years, as the Crime Investigating Commission, the focus was primarily on organized crime. During this period, the Commission investigated such problems as arson, criminal usury, gambling, narcotics and dangerous drugs, and vending racketeering.

The Illinois Legislative Investigating Commission's enabling statute was enacted by the General Assembly on July 23, 1971. The new act contained several changes, including (1) a change of name to the Illinois Legislative Investigating Commission, (2) the removal of four public members to make the composition six Senators and six Representatives, and (3) a broadening of the investigative subject matter to include any matter upon which the General Assembly may legislate, including organized crime and official misconduct. The enabling legislation, as amended, and the Rules of Procedure are contained in this report (See Chapters 7 and 8, respectively).

The General Assembly created this Commission with the intent to provide its members with facilities, equipment, authority and technical staff to conduct investigations, including public hearings, on any matter of legislative concern.

Since 1971, with our expanded responsibilities, the Commission has undertaken 59 separate investigations for the General Assembly. A sampling of the diverse problems we have studied are nursing homes, natural gas-utility rates, arsons, Ku Klux Klan, and currency exchanges.

B. Membership

The Commission itself is a singularly legislative agency. It is composed of six members of the Illinois

Senate and six members of the Illinois House of Representatives. The members are appointed by the majority and minority leadership of each body. Such a composition assures the bipartisanship of this Commission.

Representative James C. Taylor (D-Chicago) served as Commission Co-Chairman and Representative Jane M. Barnes (R-Oak Lawn) as Commission Secretary throughout calendar year 1979. Senator John B. Roe (R-Rochelle) also served as Commission Co-Chairman until the expiration of his Senate Term in January of 1979.

Senators Prescott E. Bloom (R-Peoria), Samuel C. Maragos (D-Chicago), James "Pate" Philip (R-Lombard), and Frank D. Savickas (D-Chicago) served throughout the calendar year 1979. Senator Karl Berning (R-Deerfield) replaced Senator John B. Roe on February 7, 1979 and Senator Jeremiah E. Joyce (D-Chicago) replaced Senator Philip J. Rock on June 13, 1979.

Representative Clarence A. Darrow (D-Rock Island), Aaron Jaffe (D-Skokie), Peter P. Peters (R-Chicago) and W. Timothy Simms (R-Rockford) served throughout the calendar year 1979.

Charles Siragusa was appointed Executive Director when the Commission was first established in 1963--then called the Illinois Crime Investigating Commission. He resigned in February, 1976 after 13 years of distinguished service and remains an unsalaried consultant to the Commission.

Upon Siragusa's resignation, Ronald Ewert was appointed Acting Executive Director, and has served in that position for four years. He is responsible for the general supervision of all investigations, the Commission staff and all proceedings of the Commission.

As of December 31, 1979, there were 21 salaried employees of the Commission. These individuals are listed in Chapter 6.

C. Powers

The powers and responsibilities of this Commission are established in the Illinois Legislative Investigating Commission Act (see Chapter 6). Sections 10 through 15 of the Act set forth the jurisdictional powers relative to the investigation of any allegation which, if proved, would constitute a breach of public trust, a conflict of interest, a crime, a defect or omission from the laws of Illinois, or malfeasance, misfeasance, or nonfeasance within the State.

The Commission has the power to: (1) demand and receive assistance from all State public officials and employees pursuant to our official investigations and to request the cooperation of standing or special committees of the Congress of the United States or of the General Assembly of this or any other state; (2) conduct public or private hearings; (3) subpoena witnesses, administer oaths, examine witnesses, and receive evidence; (4) petition the courts to compel attendance of witnesses and to compel witnesses to testify; (5) request the courts to grant immunity from prosecution in the event a witness declines to answer upon the grounds that his testimony will be self-incriminatory; and (6) to issue such reports and recommendations as may be indicated, to the Illinois General Assembly, the Governor, and other public officials.

D. Investigative Authority

Investigations are commenced by this Commission pursuant to resolutions received from either house of the General Assembly, or by the Commission's specific resolution when the General Assembly is not in session.

These various alternatives were established in order to provide investigative assistance to the many legislative committees of both houses which do not have adequate investigative and research staffs to accomplish their objectives.

E. Investigative and Annual Reports

Section 7 of the Illinois Legislative Investigating Commission Act requires the Commission to submit a report to the General Assembly and to the Governor every two years detailing all completed investigations, the conclusions drawn therefrom, recommendations for legislation and administrative action, the names, salaries and duties of all officers, and an account of all monies received and disbursed. By a 1971 policy decision, the Commission has since submitted annual reports.

In addition to the annual report, however, the Commission also issues reports on each investigation it undertakes. These reports are issued to each member of the General Assembly, to the Governor, and to the Illinois members of the United States Senate and House of Representatives.

These investigative reports are also disseminated to the Secretary of State and to other departments, commissions, and agencies of the legislative, executive, and

judicial branches of State government, as well as to state's attorneys, sheriffs and police departments in Illinois, and the news media.

The Commission honors requests for these special investigative reports from public and school libraries, trade associations, and organizations and citizens throughout the country. A total of 1,463 persons and organizations are now on our permanent mailing list.

During the 1979 calendar year the Commission published our Annual Report of 1978 and two special investigative reports:

1. Cook County Health & Hospitals Governing Commission, pursuant to House Resolution 1053, published June, 1979.

2. The WIC Program in Illinois, pursuant to House Resolution 208, published November, 1979.

Chapter 2

ISSUED INVESTIGATIVE REPORTS

A. COOK COUNTY HEALTH & HOSPITALS GOVERNING COMMISSION (Interim Report)

In 1979, the Commission issued an interim report on the Cook County Health and Hospitals Governing Commission, mandated by House Resolution 1053. This report was issued in June when it became clear that Cook County Hospital, for which the Governing Commission was responsible, was again in serious financial arrears. Our interim report indicated that the investigation into the conduct and affairs of the Governing Commission was almost completed and that the final report would be issued soon thereafter. (The final report on this subject will be issued early in 1980.)

Principally, the interim report documents the conduct of the Governing Commission since its inception. The report examines the relationship between the Cook County Board and the Governing Commission, explains the continued need for large public hospitals such as Cook County Hospital, compares findings this Commission issued in a 1972 report mandated by House Joint Resolution 103, calling for study of "the continuing turmoil at Cook County Hospital," with findings from our more recent inquiry, and offers four major conclusions and fourteen principal recommendations.

In summary, our conclusions were that the Governing Commission had been mismanaged by its administration; that the Governing Commission repeatedly failed to establish any long-range plans; that for several years the Governing Commission had not been reimbursed properly by the Illinois Department of Public Aid for medical services rendered the indigent; and that free treatment at Fantus Health Center and in the Cook County Hospital emergency room had limited the amount of potential revenue the Governing Commission could have realized.

Our principal recommendation, that the Governing Commission be dissolved, was effected by law in December, 1979. Our other recommendations have been studied and continue to be considered. They will be revised and presented in our final report on the Governing Commission.

1979 also saw the Legislative Investigating Commission hold two public hearings into the Cook County Health and Hospitals Governing Commission.

Hearings held in Chicago on October 25 addressed the future of Cook County Hospital and were meant to be a forum in which the Commission's Interim Report recommendations could be discussed. Representative Taylor's opening statement made it clear that we felt there was a continued need for both Cook County and Oak Forest Hospitals, and further that many of the problems experienced by these institutions were deeply rooted in the Governing Commission administration. Witnesses responded to and expanded upon our belief that the Governing Commission had been administered inefficiently primarily because of lack of public accountability.

A second series of hearings was held on December 13, at which time witnesses responded to three specific issues relative to both Cook County and Oak Forest Hospitals: Governance, Management, and Financing of these institutions. Testimony offered at the hearings was intended to be useful to both the Cook County Board and the State legislature in addressing long-term solutions to the problems of these institutions.

A full description of the hearings will appear in our final report on the Governing Commission.

B. THE WIC PROGRAM IN ILLINOIS

House Resolution 208 required our Commission to investigate "allegations of violations of Federal and State procedures" in the granting of several contracts by the Illinois Department of Public Health. These contracts were in reference to the nation-wide Department of Agriculture's Women, Infants, Children Nutrition Program (WIC), which, in this state, is administered by the Department of Health.

The investigation was initiated after the House Appropriations II Committee determined that contractual arrangements made by the Department of Health were questionable as to propriety and law.

The Commission investigation focused on the state administrator of the WIC Program and her control over and manipulation of contracts to specific close personal friends. We examined the Illinois WIC Program from its inception; the development of data processing requirements by the United States Department of Agriculture, and therefore, by the Department of Health in Illinois; USDA's refusal to approve several contracts engineered by the state WIC administrator; and the propriety of relationships and internal procedures among both private groups and public agencies and departments.

We determined that the contracts that had been questioned by the House Appropriations II Committee indeed were granted in a questionable manner and that several individuals involved themselves improperly in the granting of state contracts funded with federal monies. The new Director of the Illinois Department of Public Health, William L. Kempiners, is aggressively addressing both our findings and recommendations in the administration of his Department.

Our recommendations were: 1) the Illinois Department of Public Health should determine, through auditing, whether local agencies responsible for local administration of the WIC Program were placing proper emphasis on nutrition education, a primary emphasis of the federal legislation creating the WIC Program; 2) the Illinois Department of Public Health should review its own internal management procedures; 3) the General Assembly should scrutinize Illinois Revised Statutes, Section 132.6a (2) and (10) to determine whether management consulting contracts and contracts for the use or purchase of data processing systems and systems software should continue to be exempted from formal bidding requirements; 4) the General Assembly should determine whether the Department of Administrative Service's powers and duties need to be expanded or more clearly articulated.

The Commission is continuing to cooperate with federal probes of the WIC Program contracts in Illinois and with the Appropriations II Committee's hearings into the Illinois Department of Public Health.

Chapter 3

PENDING INVESTIGATIONS

A. Illinois Nursing Homes

House Resolution 115, adopted April 22, 1975, calls for an investigation into the private nursing home and shelter care industry in Illinois. The resolution refers to patient deaths at the Illinois Extended Care Center (reported on by this Commission in June of 1975) and allegations of abuse at facilities in Lake and Cook Counties. House Resolution 1277, adopted January 7, 1975, had asked the Commission to look into patient abuse at private nursing homes in Lake County; our report on this subject was published in February of 1977.

Commission investigators determined that the problem of abuse at private nursing home facilities seemed to be continual. The focus of the Illinois Nursing Homes investigation was a continuation of efforts expended in previous investigations but applied to facilities throughout the state. The final report on the investigation currently is being written and will be issued in 1980.

B. Museums

The Museums investigation was mandated by House Resolution 1026, adopted November 30, 1976. The resolution asks the Commission to investigate the status of "certain activities of museums, and especially the George F. Harding Museum of Chicago, with particular concern for the duties of trustees to be accountable to the public and the propriety of selling museum works...."

The resolution also refers to specifics concerning the case of the Harding Museum, including disposal of works of art without prior public notice. The activities of the Harding Museum are presently in litigation. Except for further work relative to the Harding case, our investigation is complete and we expect to issue our final report to the General Assembly later in 1980.

C. Sexual Child Abuse

House Resolution 41 was adopted on March 23, 1977. It asks the Commission to determine the extent and range of commercial sexual exploitation of children in Illinois. The resolution has directed us to, and our investigation has centered on, child pornography and child prostitution in the

state. The resolution has asked us to determine the validity of certain statements and reports concerning sexual exploitation of children, including whether Chicago has acted as a transfer point in the nationwide transmittal of children as sexual objects and whether the growth of sexual child abuse can be tied to an organized crime syndicate.

The passage of strict child pornography statutes at both the federal and state levels seems to have eliminated much of the overt sexual commercialization of children, but our investigation has looked into private exploitation of children as well.

Our final report on this subject is in the writing stage and will be issued in 1980.

D. Hazardous Landfills

An investigation into specific allegations concerning hazardous landfills in Illinois was mandated by Senate Resolution 119, adopted on June 24, 1977. Specific charges were that polychlorinated biphenyls (PCBs) were being land-filled in Illinois and that the presence of these and other toxic chemicals and wastes could pose serious threats to state citizens.

The resolution asks us to identify the number and nature of such landfills, as well as to determine the nature of specific wastes being dumped. Further, we have looked into registration of out-of-state companies, insurance for landfill owners, interstate and intrastate transportation of wastes, the functions and efficacy of the Illinois Environmental Protection Agency, and other related concerns.

Our investigation is near completion and our report will be issued in 1980.

E. Redlining--Homeowners' Insurance

Senate Resolution 283, adopted on April 25, 1978, asks the Commission "to conduct an investigation and study of the policies, practices and patterns of Illinois insurance carriers relative to their providing homeowners' insurance for property located within older neighborhoods and geographical areas in the Chicago area..." among several other specific areas of investigation and study. The investigation has been prompted by refusals of homeowners' insurance to individuals seeking to renovate older homes in specific areas of Chicago. It had been alleged that the only reason insurance was denied was due to geographical area, a violation of State law.

The resolution also requests the Commission to conduct several feasibility studies into insurance requirements, insurance risks, and the right to review by the Department of Insurance in cases of alleged discrimination. Finally, the resolution requests the Commission to "formulate proposals for more effective penalties and methods of enforcement under present State law...."

This investigation has been completed and our final report has been written. It will be issued early in 1980.

F. Child Abuse

House Resolution 776, adopted on April 26, 1978, asks the Commission to address the following two major areas: 1) the activities, records, and responsibilities of all agencies that deal with the child abuse problem, and 2) "the administrative and legal requirements for developing a coordinated effort to detect, report, and reduce the incidence of child abuse" in Illinois.

In mandating this investigation, the sponsors were particularly sensitive to the fact that there has been an alarming increase in child deaths due to abuse in the state and that there were questions concerning what actually constitutes child abuse in criminal proceedings. Further, reporting mechanisms of various agencies, departments, and offices concerned with child abuse vary so much as to be almost unusable. Finally, the Department of Children and Family Services was singled out for allegedly mishandling cases of child abuse.

Our investigation will not be completed until April or May, 1980. At that time, the Commission plans to hold public hearings into the entire question of child abuse--including the sexual commercialization and exploitation of children and sexual molestation of children, the subjects of two separate investigations and reports briefly described in this chapter.

We intend to issue a final report this year that will address the specifics of HR 776, but which will also address the related concerns of HR 41 and HR 138. By looking at these problems as a whole instead of as disjointed, fragmented problems, we expect to be able to develop workable and comprehensive recommendations for the General Assembly.

G. Railway Merger

House Resolution 974, adopted June 30, 1978, prompted our investigation into the proposed railway merger between

the Burlington Northern, Inc. and St. Louis-San Francisco Railway Company. The resolution indicates that such a proposed merger could cause economic harm to the state by adversely affecting freight revenues from several railroads presently operating in Illinois and by adversely affecting employees of all of the railroads involved.

The resolution specifies dollar amounts that individual companies would stand to lose should such a merger be approved by the Interstate Commerce Commission.

The Commission report has been written and will be issued early in 1980.

H. Child Molestation

An investigation into the incidence of and problems with the sexual molestation of children was mandated on April 24, 1979 by House Resolution 138. The resolution indicates that the sexual molestation of children has doubled in the two years prior to its passage; that such molestation had reached "epidemic proportions"; that experts familiar with the problem have indicated that repeat offenders "constitute the greatest threat to potential victims" of the crime; that neither laws nor courts are equipped to deal with the problem; and that a wide range of alternatives should be examined to determine recommendations for the prevention of child molestation.

Our investigation has therefore focused on the incidence of child molestation as well as possible inadequacies in state laws and regulations.

Our report on this subject also will be issued in 1980.

Chapter 4

COMMISSION SPONSORED/SUPPORTED LEGISLATION

The Commission's Final Investigative Reports will, when appropriate, contain recommendations for legislative and administrative change in areas relevant to a Commission inquiry. Commission members sponsor or support legislation that embodies recommendations found in the Final Investigative Reports. In the 1979 Session of the Eighty-First General Assembly, the Commission sponsored or supported 13 separate bills. The following is a synopsis of the bills introduced during the 1979 calendar year for each relevant Commission investigation.

A. ARSONS

Public Adjuster's Licensing Act, Senate Bill 1064

The Arson Report, issued in May of 1978, advocated the licensing of Public Adjusters--individuals who negotiate with an insurance company for a fire loss settlement on behalf of an insured and receive a percentage of the settlement as a fee.

The Commission drafted and supported a bill which would have required all public adjusters to be licensed by the Department of Insurance. The licensing procedure would require an applicant to demonstrate a rudimentary understanding of insurance principles and the public adjusting business, as well as to exhibit traits of honesty, integrity and obedience to the law.

Under this legislation, all public adjusting contracts would have to be written and could be voided within 72 hours of signing. A person found guilty of fraudulent activity or any other violation of the Act could be subject to license forfeiture and a fine of not more than \$500.00.

B. AUTO INSURANCE

Comparative Fault, Senate Bill 1062

In Illinois, if an injured party files a personal injury or property damage claim, and is not found to be 100% free from fault, he could have his claim denied. The Commission's Auto Insurance Investigation found that high risk insurance companies will frequently withhold legitimate insurance settlements on the ground that an injured party was not totally free from negligence.

To encourage fair and speedy settlements of insurance claims, the Commission advocated the adoption of a "pure" comparative negligence law which would distribute responsibility for payment of another's claims according to the relative fault of the parties. If a party were 99% at fault, this law would have required him to pay for 99% of the other party's injuries, instead of being held unaccountable because the other party to the accident was 1% at fault.

Unreasonable Delay, Senate Bill 1063

This bill expanded the current law described in Section 767 of the Insurance Code, which now allows an insured to recover up to \$5,000 for a company's vexations delay. Our bill would have also entitled third-party claimants to a vexations delay award, as well as allowing monetary damages to any person when a company engages in any unfair business practice described in the insurance code.

Our bill also established four instances in which a company would be presumed to have unreasonable delay:

1. failing to communicate with a claimant within 10 days of the notification of a loss;
2. failing to make first party or third party payments within 30 days of affirming liability;
3. failing to affirm first party liability within 40 days of a notification of accident; and
4. failing to affirm third party liability within 60 days of notification of an accident.

Liability For Repair Work, Senate Bill 1065

The Auto Insurance Investigation discovered that high risk insurance companies require insureds to take their cars to certain designated garages. These garages frequently produced substandard repairs that often took excessively long to complete.

Our bill would have required all insurance companies that refer insureds to preferred garages to be responsible for poor workmanship; it would also have required the insurance company to provide a rental car when repair work takes more than seven days to complete.

Prejudgment Interest, Senate Bill 1066

This bill would allow prejudgment interest of 7% on all insurance settlements or awards made 90 days after notification of an accident has been received or a law suit has been filed. A court would have the option of disallowing the interest award if such an award would not further the ends of justice.

Arbitration of Small Claims, Senate Bill 1067

This bill would allow the Supreme Court to set up a system of arbitration for all claims under \$5,000. Attorneys would serve as arbitrators on a rotating basis and would hear evidence without the usual formality of a trial. Either party would be entitled to a trial de novo after an arbitrator's award has been entered, but interest would also be payable on the award if the Circuit Court upholds the decision.

Annual Report, Senate Bill 1068

The Director of Insurance currently reports to the Governor yearly on the state of affairs of the insurance industry. This bill would have required him also to report to the General Assembly and to add additional information in such reports. This legislation, which passed both houses of the General Assembly, was vetoed by the Governor on September 7, 1979.

C.

FENCING

Treble Damages Award, Senate Bill 895

The Fencing Report concluded that the best solution to the problem of fencing is to take the profit out of it. The Commission recommended an amendment to the Criminal Code which would allow a party injured by violators of the fencing statute to institute a civil action and recover threefold the amount of actual damages sustained, as well as punitive damages where appropriate.

This legislation also allowed a judge or jury to presume, in three situations, a defendant's knowledge that property was stolen: possession of recently stolen property; purchase of property at a price substantially below its fair market value; and a dealer's purchase of property out of the regular course of business or without the usual indicia of ownership.

D.

ILLEGAL ALIENS

Employment of Illegal Aliens, House Bill 2681

This legislation would have prohibited the employment of illegal aliens. Employers could be subject to fines of \$1,000 for each first offense and fines of \$2,000 to \$10,000 for each subsequent offense. Prima facie evidence of a conscious hiring of an illegal alien would be: (1) payments of less than minimum wage; (2) failure to withhold federal or state income taxes or social security taxes; or (3) failure to contribute to an employee's workman's compensation fund.

An affirmative defense to the charge of violation of this act would be a written affirmation by the employee that he is a U.S. citizen or is legally available for employment. Such an affirmation could be easily required at the time of employment application.

E.

PUBLIC UTILITIES

Appeals of ICC Orders, House Bill 2057

This bill would have required all appeals from Illinois Commerce Commission orders or decisions to be filed in the county having the largest number of utility customers. This would preclude a utility from forum-shopping, that is, bringing an action before a court more sympathetic to its case because it is a jurisdiction traditionally associated with business interests or consumer interests.

Rate Increases and Notice, House Bill 2058

The Public Utilities Act provides that all rate increases shall become effective thirty days after filing unless they are suspended by the Illinois Commerce Commission. Notice of the rate increase need only be published in a newspaper of general circulation.

Our bill would have required the Commission to approve all rate increases before they go into effect, and further would require notice to be included with a regular bill for charges.

Temporary Rate Overcharges, House Bill 2059

Illinois public utility customers cannot receive restitution for any portion of a rate increase found excessive by a Circuit Court after the rate increase order is reversed.

Our bill would have allowed the Commerce Commission to establish temporary rates which would compensate customers for overcharges paid during the ICC rate order appeal.

Statutory Period of Repose, House Bill 2060

This bill would have required any public utility to wait one year before filing for a rate increase, if a prior request had been denied or only partially approved. This prevents a utility from asking for a large rate increase, receiving a portion of it and immediately filing for another rate increase. A one year moratorium on rate increases allows some finality to the ICC decision and allows time to elapse in order to assess the consequences of a rate increase.

Chapter 5

OTHER RELATED MATTERS

A. Pending Litigation

1. Metropolitan Area Housing Alliance, et al. v. Philip Rock, et al. (No. 76 C 3605)

House Resolutions 651 and 703, adopted in March and May of 1976, authorized the Commission to investigate, respectively, specific practices of community organizations relating to open housing issues and practices of realtors in the same area, as well as the relationship between the two groups.

To accomplish the mandate of these two resolutions, Commission investigators began interviewing Chicago realtors and spokespersons from various community groups committed to halting "panic-peddling" and block-by-block resegregation. Also consulted were housing experts, urbanologists, government officials, and other interested parties.

Several community groups, in September of 1976, brought suit in the United States District Court for the Northern District of Illinois against the members and acting executive director of the Commission, seeking to have House Resolution 651 declared unconstitutional and the resulting investigation enjoined. Among other things, the plaintiffs alleged that the investigation would impair their First Amendment rights to speak and associate freely.

The plaintiffs who remain in the suit are the Metropolitan Area Housing Alliance, Homeowners Federation, Northwest Austin Council, Northwest Community Organization, Oak Park Community Organization, and Southwest Community Congress.

Commission counsel, with supervision from the Illinois Attorney General's Office, have been handling the case. The court's discovery orders--regarding contested matters which involve various claims of privilege--all have been in favor of the Commission.

After the plaintiffs refused to disclose in interrogatories or depositions--or via the production of documents--any evidence that would show how they have suffered any harm due to the challenged investigation (a refusal that persisted even after court orders requiring disclosure were issued), they amended the complaint and thereby deleted all references to past and present harm. All that remains are allegations

of future harm which plaintiffs claim will occur if the Commission completes its investigation, conducts public hearings and issues its final report.

For numerous reasons that affected the posture of the case, including plaintiffs' amendment of the complaint, defendants moved the Court to dismiss the action or, alternatively, to grant summary judgment for defendants. Plaintiffs filed a cross-motion for summary judgment and briefs were filed in support of and in response to each of these respective motions. On January 25, 1980, the Honorable George N. Leighton heard oral argument on both motions, and a decision is expected imminently.

In their briefs and at oral argument, counsel for defendants argued that the complaint as amended does not raise a justiciable case or controversy under Article III of the U.S. Constitution and, therefore, should be dismissed. Alternatively, it was argued on the merits that judgment in defendants' favor is proper as a matter of law because, among other things, House Resolution 651 and 703 direct the Commission to conduct an investigation into an area of legitimate legislative concern, the investigation has been conducted with all due regard for plaintiffs' constitutional rights, the Commission's enabling Act and Rules of Procedure assure that plaintiffs will be afforded adequate procedural due process safeguards at Commission hearings, and the Commission final report in the investigation will not malign plaintiffs in any respect.

2. Cartolano v. Tyrell, et al. (75 C 4274)

In December of 1975, Anthony T. Cartolano, President and Director of the now defunct New Melrose Fireworks Display Company, filed a civil rights action in the United States District Court for the Northern District of Illinois, alleging that certain state officials had conspired against him to destroy his business and reputation. Commission Chief Investigator Thomas R. Hampson was joined as a defendant in February of 1978. Co-defendants were the Sheriff, various Deputy Sheriffs, and the Chairman of McHenry County.

The Commission's investigation of Cartolano was conducted pursuant to House Resolution 414, adopted in June of 1973, which authorized the Commission to examine the fireworks industry in Illinois. This resolution had been adopted in response to several dangerous and fatal explosions in the state--one of them at Cartolano's company--and other serious incidents which had occurred in the industry.

Hampson's role in the alleged "conspiracy" was limited to his participation in an undercover purchase of Class B and C explosives from Cartolano. Cartolano alleged nothing more against Hampson than the account contained in the Commission's report entitled "Fireworks: Plant Explosions and Bootleg Traffic," and the claims against Hampson were considered by counsel to be without merit.

Accordingly, in January and May of 1979, Commission counsel, with assistance from the Illinois Attorney General's Office, submitted briefs in support of a motion for judgment on the pleadings. The Honorable Abraham Lincoln Marovitz granted this motion and dismissed Hampson from the action. Finding that plaintiff's claim was merely that Hampson had participated in a purchase of explosives from him and had testified at Commission public hearings regarding this purchase, the Court found that the complaint failed to demonstrate any link between Hampson's conduct and any tangible or constitutionally protected loss to Cartolano.

B. Fireworks

In May, 1979, a Federal Grand Jury indicted seven (7) people on charges of conspiracy to illegally manufacture fireworks. The seven (7) indicted were: William C. Wrobel, Sue Wrobel, Robert A. Deland, Garth Uhwat, Bonnie Uhwat, John Hileman, and Carr Morine.

The indictment resulted from a year long investigation by agents of the Bureau of Alcohol, Tobacco, and Firearms, U.S. Treasury Department, and was prompted by an explosion that leveled the Wilmette home of George Yule. Investigators at the scene of the explosion established that it was caused by fireworks, stored at the home, which Yule was manufacturing illegally. Yule died from injuries sustained from the explosion. Through a continuing investigation, it was later established that the seven indicted were connected with Yule's illegal operation.

Another associate of Yule's, Richard Dunbar, was indicted earlier by the Grand Jury after inspections by the Illinois State Fire Marshal and ATF Agents uncovered approximately 10 tons of chemicals used in the manufacture of fireworks at a warehouse owned by Dunbar. The location, as well as information regarding Dunbar's association and possible involvement with Yule, was furnished by Commission Investigators. The connection between the two had been established in our 1974 investigation into Fireworks in Illinois. Dunbar, who cooperated with federal authorities during the investigation, pled guilty to the charges in September. He was sentenced to 5 years probation and fined \$5,000.

Six of the seven people indicted in May have recently been convicted or have pled guilty to charges of manufacturing fireworks. Bonnie Uhwat was acquitted of the charges. Sentencing of the six is scheduled for March 7, 1980.

Robert Deland, one of the defendants who pled guilty, had been identified during our 1974 Fireworks Investigation. During the course of that investigation, the Commission held public hearings on December 17 and 18 in Chicago, and on December 19 in Woodstock. Deland, subpoenaed to testify at those hearings on December 17, chose to exercise his 5th Amendment right and refused to respond to our questions. Deland faces possible sentencing of five (5) years and a \$10,000 fine.

C. Currency Exchanges

During 1977, the Commission conducted a two month investigation into the operation and regulation of currency exchanges in Illinois. In March, 1977, we issued our final report on that investigation; the report was highly critical of the Illinois Department of Financial Institutions (DFI), the agency responsible for regulating currency exchanges. We also reported on numerous questionable contributions made by various officers of the Community Currency Exchange Association to the political campaigns of several state officials.

We did not reveal in that report, however, that the Commission Investigators developed evidence of criminal wrongdoing on the part of several currency exchange owners and at least one former director of DFI. All of the information we collected during our probe was turned over to a federal grand jury that was conducting a parallel investigation.

In April, 1979, the Grand Jury handed down indictments against 17 currency exchange owners on charges of bribery, mail fraud, conspiracy and racketeering. One of those indicted, Irwin Levin, pled guilty to two counts of mail fraud in December. Levin is expected to cooperate with the prosecution in the trial scheduled to begin in April, 1980.

The federal probe into the currency exchange industry is being directed by the Public Integrity Section of the U.S. Justice Department. Further indictments are anticipated in the near future.

D. Cooperation With Other Governmental Agencies

Our Commission routinely assists local, state, and federal agencies through an exchange of information gathered during the course of our investigations. We also require the assistance of other agencies, particularly to develop investigative leads out of state in furtherance of the Commission's investigations in Illinois. All such requests for information during the past year have been handled by members of the Law Enforcement Intelligence Unit (LEIU).

Likewise, during the past year, the Commission extended reciprocal assistance to LEIU agencies in certain matters of mutual interest. The Commission's Executive Directors have been members of LEIU since 1963.

E. National Organization of Investigatory Commissions (NOIC)

Ronald Ewert, the Commission's Acting Executive Director, and Nancy Sander, the Commission's Chief Counsel, have participated in a series of meetings which led to the establishment of the National Organization of Investigatory Commissions (NOIC). To date, a constitution and by-laws have been adopted, and the following states have participated in and become members of the organization: Hawaii, Illinois, New Jersey, New Mexico, New York, Pennsylvania, and West Virginia.

The purpose of NOIC is three-fold: 1) to share and exchange information and ideas concerning the operation of member organizations; 2) to develop standards among member organizations relative to investigatory work, hearings, reports, and other operational matters; and 3) to encourage the establishment, continuation, and improvement of such investigatory commissions in the future.

Chapter 6

PERSONNEL AND EXPENDITURES

The Commission receives no monies other than General Revenue Fund appropriations granted by the General Assembly.

A. Personnel

Following is a list of the Commission's present employees, including their names, titles and salaries (excepting investigators who may work undercover), as of December 31, 1979:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
Ronald Ewert	Acting Executive Director	\$37,500
	Chief Investigator	24,500
	Senior Investigator	21,786
	Senior Investigator	21,504
Nancy N. Sander	Counsel	21,018
Raymond L. Bandusky	Counsel	19,015
Corinne M. Levitz	Counsel	17,500
	Investigator	17,500
	Investigator	17,000
	Investigator	17,000
John Jacob	Writer	17,000
	Investigator	16,157
	Investigator	16,000
	Investigator	15,000
Dorothy Stephens	Associate Writer	14,980
	Investigator	14,000
Debra Torres	Administrative Assistant	13,250
Maureen Robinson	Secretary	10,980
Patricia Andrews	Receptionist	10,496
Nancy Cronin	Secretary	10,280
Barbara Greer	File Clerk	8,946

B. Expenditures

From January 1, 1979, through June 30, 1979, the Commission's expenditures were paid out of the 1979 fiscal year appropriation. That appropriation was \$571,300. Expenditures for the first six months of 1979, including those processed during the lapse period, were as follows:

Personnel Services	\$154,320.96
Retirement	11,985.04
Social Security	9,459.99
Contractual	30,312.42
Travel	7,299.89
Commodities	1,501.51
Printing	5,520.25
Equipment	1,079.69
Telecommunications	7,662.27
Operation of Auto Equipment	<u>9,196.15</u>
Subtotal	\$238,338.17

From July 1, 1979, through December 31, 1979, the expenditures were paid out of the 1980 fiscal year appropriation of \$561,900. Expenditures for the second six months of 1979 were as follows:

Personal Services	\$173,803.60
Retirement	13,904.30
Social Security	10,117.34
Contractual	28,380.52
Travel	5,651.10
Commodities	899.19
Printing	86.96
Equipment	192.50
Telecommunications	4,404.91
Operation of Auto Equipment	<u>7,346.42</u>
Subtotal	\$244,786.84

Thus, for the 12-month period ending December 31, 1979, the Commission expended a total of \$483,125.01.

Chapter 7

ILLINOIS LEGISLATIVE INVESTIGATING COMMISSION ACT

Section 1. Legislative Intent.] It is the intent of the General Assembly to provide its members with facilities, equipment, authority, and technical staff to conduct investigations, including public hearings, on any matter upon which the General Assembly may legislate.

This Act, and the jurisdiction of the Commission created thereby, is not intended to be in derogation of the jurisdiction of any Grand Jury of any county in the State.

Section 2. Definitions.] As used in this Act:

(1) "Commission" means the Illinois Legislative Investigating Commission created by Section 3 of this Act.

(2) "Person" includes natural persons, public officials, partnerships and associations of persons and corporations.

(3) "Hearing" means a proceeding, whether public or private, held before the Commission or before a designated subcommittee of the Commission.

(4) "Investigation" means a proceeding held anywhere in this State before the Executive Director of the Commission, the Chief Investigator of the Commission or Commission Counsel, at which a person appears for the purpose of giving testimony or producing evidence voluntarily or in response to a subpoena.

(5) "Chairman" includes any co-chairman.

(6) "Commission Counsel" includes the Commission's Chief Counsel, any Associate or Assistant Counsel, or any designee of the Office of the Attorney General selected to represent the Commission.

Section 3. Creation of Commission - Appointment of Members - Terms - Vacancies - Chairmen - Rules.] There is created the Illinois Legislative Investigating Commission, consisting of six members of the Senate, three of whom shall be appointed by the President thereof and three of whom shall be appointed by the Senate Minority Leader; and six members of the House of Representatives, three of whom shall be

appointed by the Speaker thereof and three of whom shall be appointed by the House Minority Leader. The members shall be appointed within 30 days after the effective date of this Act and during the month of June of each odd numbered year thereafter, and shall serve until July 1 of the next succeeding odd numbered year and until their successors are appointed and qualified, except that General Assembly members shall serve until their respective successors are appointed or until termination of their legislative service, whichever first occurs. Vacancies shall be filled for the unexpired term in the same manner as original appointments. Appointments shall be in writing and filed with the Secretary of State as a public record. Members of the Commission shall serve without compensation but shall be reimbursed for necessary expenses incurred in the performance of their duties. The Commission shall organize, select a chairman and such other officers as it deems expedient from its membership and provide rules for the transaction of its proceedings.

Section 4. Executive Director - Other Employees.]
The Commission shall appoint an Executive Director, who shall devote his full time to the exercise of general supervision of all investigations and proceedings by the Commission. The Executive Director shall receive a salary to be fixed by the Commission.

The Commission may appoint such other employees as it may from time to time find necessary for the proper performance of its duties, and may fix their compensation without regard to civil service laws.

Section 5. Payment of salaries and expenses - Vouchers.] The salaries of the Executive Director and other personnel, and the expenses of the Commission including necessary travel and subsistence expenses incurred by the Commissioners, Executive Director and other employees of the Commission shall be allowed and paid on the presentation of itemized vouchers therefor, approved by the Commission or by any Commissioner it designates for that purpose.

Section 6. Investigative expenses - Accounting procedures and records.] The Executive Director and other employees of the Commission may, when authorized by the Commission, expend such sums from a revolving trust fund, not to exceed \$3,000, as the Commission deems necessary for investigative expenses. The Commission shall maintain a system of accounting procedures and records as developed by the Auditor General to accurately reflect the disbursements

of the amounts spent. These accounting procedures and records will be submitted to the Auditor General annually for review, and subsequently the Auditor General will issue an opinion to the Audit Commission as to the reliability of such records.

Section 7. Reports to the General Assembly and the Governor.] The Commission shall, on or before February 1, 1972, and every two years thereafter, submit a detailed written report of all completed investigations, conclusions drawn therefrom, recommendations for legislation, recommendations for administrative action, the names, salaries and duties of all officers and employees in its employ, and an account of all monies received and disbursed, to the General Assembly and to the Governor. The Commission may omit the names of undercover investigators from its reports.

Section 8. Powers of Commission - Investigations.] The Commission shall only act, with respect to any investigation under the powers conferred upon it by this Act, pursuant to resolutions adopted by the Senate or House or as hereinafter provided in this Section. At any time when the General Assembly is not sitting, the Commission may act by a written resolution authorized by a three-fourths vote of the members appointed to the Commission and signed by both co-chairmen of the Commission. The subject matter of the Commission Resolutions shall be limited to matters which have not been considered by either House of the General Assembly. The Commission, by its own action, may, by subcommittee, or by its Executive Director, or by such agents or agencies as it may designate, conduct any inquiry reasonably related to the specific resolution adopted by either House of the General Assembly or to the Commission's own resolution. Inquiries conducted pursuant to authorization may be conducted within or without the State. A Commissioner participating in such an inquiry shall not be disqualified from subsequently participating in the hearings or reports of the Commission.

Section 9. Principal office of Commission.] The principal office of the Commission shall be in the City of Chicago but the Commission, individual Commissioners and the Executive Director may perform any of their duties, exercise any of their powers, or conduct meetings, examinations and hearings at any other place.

Section 10. Assistance to and from public officers and committees.] The Commission has power to extend assistance to and demand and receive assistance from all State

public officials and employees and may extend cooperation to and request the cooperation of Standing or Special Committees of the Congress of the United States of America, or of the General Assembly of this or any other state.

Section 11. Investigative powers.] The Commission has the power to investigate generally any allegation which if proved would constitute a breach of public trust, a conflict of interest, a crime, a defect or omission from the laws of this State, or malfeasance, misfeasance or nonfeasance within this State.

Section 12. Jurisdiction of Commission.] In each investigation the jurisdiction of the Commission will be established by the terms of the specific resolution adopted by either House of the General Assembly or the Commission itself. Nothing in this Act shall prevent a legislative member of any other State Commission from introducing a resolution in the General Assembly which concerns a matter arising from the activities of his own commission, but which cannot be adequately investigated by his own commission's staff.

Section 13. Hearings - Oaths - Witness' right to counsel - Television, film or broadcast - Opportunity to answer accusations.] The Commission has the power to conduct public or private hearings to accomplish the several purposes and exercise the powers of the Commission, and in that connection to designate a subcommittee of the Commission, to preside over such hearings. Any Commissioner, the Executive Director, or Commission Counsel may administer oaths and affirmations, examine witnesses and receive evidence. A witness at any public or private hearing shall have the right to have counsel present of his own choice, for the purpose of advising him of his constitutional rights. No hearing shall be televised, filmed or broadcast by radio; nor shall any mechanical, photographic or electronic record of the proceedings at any hearing be televised or screened, or broadcast by radio, except upon the written approval of the Commission.

A person accused of an irregularity at a public hearing, who desires to answer the accusation, shall be given the opportunity to do so at the earliest convenience of the Commission or the subcommittee holding the hearing, as the case may be, but not later than 90 days thereafter.

Section 14. Subpoenas.] The Commission may require by subpoena the attendance and testimony of witnesses and the production of documentary evidence relating to any matter under investigation or hearing. The Chairman or the

Executive Director may sign subpoenas which may be served by any Commissioner, the Executive Director, or any agent or public official authorized by the Commission, or by any person lawfully authorized to serve a subpoena under the laws of the State of Illinois. The attendance of witnesses, and the production of documentary evidence, may be required from any location in the State, at any designated place of hearing within the State, and before the Commission as a whole, before a duly constituted subcommittee of the Commission or before the Executive Director or the Chief Investigator of the Commission or the Commission Counsel. Witnesses summoned before the Commission, or a subcommittee of the Commission, the Executive Director, the Chief Investigator or the Commission Counsel shall be paid the same fees and mileage expenses that are paid in the Circuit Courts of the State and witnesses whose depositions are taken and the persons taking those depositions are each entitled to the same fees as are paid for like services in actions in the Circuit Courts of the State. Fees and mileage shall be paid when the witness is discharged from further attendance. In case of disobedience to a subpoena, the Commission may petition any Circuit Court of the State for an order requiring the attendance and testimony of witnesses or the production of documentary evidence or both. A copy of such petition shall be served by personal service or by registered or certified mail upon the person who has failed to obey that subpoena, and such person shall be advised in writing that a hearing upon the petition will be requested in a court room to be designated in that notice before such judge as may be hearing motions or extraordinary remedies at a specified time, on a specified date, not less than three nor more than five days after the deposit of the copy of the written notice and petition in the U.S. mails addressed to the person at his last known address or after the personal service of the copy of that notice and petition upon such person. The court, upon the filing of such a petition, may order the person refusing to obey the subpoena to appear at a designated place pursuant to any investigation or hearing, or to there produce documentary evidence, if so ordered, or to give evidence relating to the subject matter of that investigation or hearing. Any failure to obey such order of the Circuit Court may be punished by that court as a civil and/or criminal contempt upon itself.

Section 15. Refusal to testify or produce evidence - Self-incrimination - Compelling testimony and production of evidence.] In any examination by or hearing before the Commission, if a person refuses to answer a question or produce evidence of any other kind on the ground that he may be incriminated thereby, and if the Chairman or the Executive Director, in writing, requests a Circuit Court of the State to order that person to answer the question or produce the

evidence, the court shall so order unless it finds that to do so would be contrary to the public interest, and that person shall comply with the order. After complying, and if, but for this Section, he would have been privileged to withhold the answer given or the evidence produced by him, that person shall not be prosecuted for or on account of any transaction, matter or thing concerned which, in accordance with the order, he gave answer or produced evidence. He may, nevertheless, be prosecuted or subjected to penalty or forfeiture for any perjury or contempt committed in answering, or failing to answer, or in producing or failing to produce, evidence in accordance with the order. The court shall not order any such person to testify or produce evidence if it reasonably appears to the court that such testimony or evidence, documentary or otherwise, would subject such witness to an indictment, information or prosecution (except for perjury committed in the giving of such testimony or the producing of such evidence) under the laws of another state or of the United States.

Section 16. Rules and Regulations.] The Commission may from time to time make, amend and rescind such rules and regulations as may be necessary to carry out the provisions of this Act, including rules and regulations for calling and holding meetings of the Commission. A copy of all rules and regulations and amendments or rescissions thereof shall be filed with the Secretary of State within a reasonable time after their adoption.

Section 17. Severability of invalid provisions.] If any provision of this Act or the application thereof to any person or circumstance is invalid, such invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

Section 18. Case law concerning Crime Investigating Commission - Applicability - Short title.] All previous case law concerning the former activities of the Illinois Crime Investigating Commission developed by State and federal courts is applicable in relevant provisions to the Illinois Legislative Investigating Commission.

Section 19. Short Title.] This Act shall be known and may be cited as the "Illinois Legislative Investigating Commission Act."

Section 20. Repealer.] "An Act creating a commission to investigate crime, enumerating the powers and duties of such commission and making an appropriation therefor," approved June 20, 1963, as amended, is repealed.

Chapter 8

RULES OF PROCEDURE

ILLINOIS LEGISLATIVE INVESTIGATING COMMISSION

(As amended to December 14, 1972)

Rule 1. Investigations.] No major investigation shall be initiated except those authorized by the Illinois Legislative Investigating Commission Act, Ill. Rev. Stat. ch. 63 §§308 et seq. (1971). However, preliminary inquiries may be initiated by the Commission staff with the approval of either co-chairman of the Commission.

Rule 2. Subpoenas.] Subpoenas for attendance of witnesses and the production of memoranda, documents and records shall be issued by the Executive Director of the Commission or by either co-chairman. Said subpoenas may be issued for the questioning of prospective witnesses by the Executive Director, or a co-chairman, either in private or before the full Commission, or any subcommittee thereof.

Rule 3. Meetings.] (a) Call by Chairmen. Either co-chairman shall have the authority to call meetings of the Commission. A co-chairman shall not schedule any hearings or series of hearings outside the State of Illinois without giving at least 48 hours notice thereof to the members of the Commission.

(b) Call by Commission Membership. Should a majority of the membership of the Commission request the co-chairmen in writing to call a meeting of the Commission, then in the event the co-chairmen should fail, neglect, or refuse to call such meeting within 10 days thereafter, such majority of the Commission may call such meeting by filing a written notice thereof with the Executive Director, who shall promptly notify in writing each member of the Commission.

Rule 4. Quorum.] Any seven members of the Commission shall constitute a quorum for the purpose of taking testimony under oath in any given case or subject matter before the whole Commission. A co-chairman may, however, appoint subcommittees for the purpose of taking testimony. The membership of each subcommittee so appointed by a co-chairman shall consist of not less than three members of the Commission. Such subcommittee may include the co-chairman making the appointments. A minimum of two members of the Commission must be present when any evidence is taken by any subcommittee.

Rule 5. Witnesses.] (a) Testimony Under Oath. All witnesses at public or executive hearings who testify to matters of fact shall be sworn.

(b) Right to Counsel. Counsel retained by any witness and accompanying such witness shall be permitted to be present during the testimony of such witness at any public or executive hearings, and to advise such witness while he is testifying, of his legal rights. Provided, however, that no attorney who is employed by a governmental agency may appear on behalf of any governmental officer, official, or employee who is called to testify. This rule shall not be construed to excuse a witness from testifying in the event his counsel is ejected for contumacy or disorderly conduct; nor shall this rule be construed as authorizing counsel to suggest answers to the witness, reply for the witness, or otherwise interject himself as a surrogate witness. The failure of any witness to secure counsel shall not excuse such witness from attendance in response to subpoena.

(c) Interrogation. Interrogation of witnesses at Commission hearings shall be conducted by Commission members, by the Executive Director, or by the Chief Counsel of the Commission.

(d) Submission of Questions; Cross Examination. No person who is the subject of interrogation at public hearings may submit to the Commission questions in writing for the cross examination of other witnesses called by the Commission. With the consent of a majority of the members of the subcommittee present and voting, these questions shall be put to the witness by any member of the subcommittee, by the Executive Director, or by the Chief Counsel of the Commission.

(e) Request to Appear. Any person whose name is mentioned or who is specifically identified, and who believes that testimony or other evidence presented at a public hearing, or comment made by a member of the Commission or its staff, tends to defame him or otherwise adversely affect his reputation may: (1) request to appear personally before the subcommittee to testify on his own behalf: or, in the alternative (2) file a sworn statement of facts relevant to the testimony or other evidence or comment of which he complains. Such request and such statement shall be submitted to the Commission for its consideration and action.

Rule 6. Prepared Statements.] Any witness desiring to read a prepared or written statement in public or executive hearings shall file a copy of such statement with the Chief Counsel or any co-chairman of the Commission 24 hours in advance of the hearings at which the statement is to be presented. The Commission shall determine whether such statement may be read or placed in the record of the hearing.

Rule 7. Preservation of Testimony.] An accurate stenographic record shall be kept of the testimony of all witnesses appearing at public and executive hearings. The record of his own testimony whether in public or executive session shall be made available for inspection by the witness or his counsel under supervision. A copy of any testimony given in public session or part of the testimony given by the witness in executive session and subsequently quoted or made part of the record in a public session shall be made available to any witness at his expense if he so requests.

Rule 8. Secrecy of Proceedings.] All testimony taken in executive session of the Illinois Legislative Investigating Commission, and all statements or comments made by Commission members or others in attendance at executive session shall be kept secret and will not be released for public information without the approval of a majority of the Commission. All other testimony, evidence or data, except that which is adduced in the course of a public hearing, which constitute products of the investigative efforts of the Commission or its staff, including all memoranda, photographs, recording tapes, films, records, and files, shall be kept secret and will not be released for public information without the approval of a majority of the Commission. This section shall not apply to any documents or files which are part of the public domain, such as transcripts of public hearings, published materials, and materials which have previously been released for public inspection.

Rule 9. Staff Appointments.] All staff members shall be confirmed by a majority of the Commission. After confirmation, the co-chairmen shall certify staff appointments to the State Comptroller in writing.

Rule 10. Proceedings to Grant Immunity.] (a) A request to grant a witness immunity pursuant to Section 15 of the Illinois Legislative Investigating Commission Act shall be made only after the refusal of the witness to testify upon constitutional grounds before a meeting of the Commission followed by written authorization signed by a majority of the Commission.

(b) A request to grant a witness immunity under Section 15 of the Illinois Legislative Investigating Commission Act shall be made by a written petition made in the name of the Commission and its Executive Director and addressed to an appropriate circuit court of this State.

(c) Written notice of the presentation of an immunity petition shall be given at least seven days prior thereto

to the Attorney General of the United States or his authorized representative, the Attorney General of the State of Illinois, and to the State's Attorney of the county in which the petition will be presented, and to such other prosecutive officers as the Commission shall direct. In the event written objection to the petition is made by a person entitled to notice thereof, at or before the presentation of the petition, the Chief Counsel of the Commission shall request a continuance of the hearing on the petition and the Commission shall promptly meet and consider its authorization granted pursuant to passage (a) hereof. In the event a majority of the Commission agrees with the objections to the grant of immunity the petition shall be withdrawn. In the event a majority of the Commission disagree with the objections, the Chief Counsel for the Commission shall proceed with the presentation of the petition.

Rule 11. Transcripts of Meetings.] An accurate, verbatim, stenographic record shall be kept of all meetings of the Illinois Legislative Investigating Commission. Immediately following each meeting, the stenographic record shall be transcribed and the transcript of all such meetings shall be considered to be the official record of the meeting. Minutes shall be prepared from the transcripts by the Chief Counsel of the Commission and a copy thereof shall be presented to each Commission member at the next scheduled meeting.

Appendix A

MAJOR INVESTIGATIONS

The Commission has conducted a total of 89 major investigations from 1964 to date.

Following is a chronological, cumulative list of the Commission's investigations, the predicate resolution numbers, and the dates of their adoption. All the resolutions adopted by the various entities are abbreviated as: CR (Commission Resolution); HR (House Resolution); HJR (House Joint Resolution); SR (Senate Resolution); and SJR (Senate Joint Resolution).

<u>Investigation</u>	<u>Resolution</u>	<u>Date of Adoption</u>
Arsons and Bombings in Cook County	CR 1	July 23, 1965
Juice Racket (Criminal Usury)	CR 2	July 23, 1965
Organized Crime Ownership of Legitimate Business	CR 3	July 23, 1965
Gambling in St. Clair County	CR 4	September 20, 1965
Gambling in Lake County	CR 5	September 20, 1965
Gambling in Illinois	CR 6	September 20, 1965
Organized Crime Activities in St. Clair County	CR 7	September 20, 1965
Juice Racket (Criminal Usury)	CR 8	November 17, 1965
Vending Machines Racket	CR 9	August 1, 1966
Ticket Brokerage Business	CR 10	October 17, 1966

<u>Investigation</u>	<u>Resolution</u>	<u>Date of Adoption</u>
Trucking Industry	CR 11	October 17, 1966
Vending Machines Racket (Public Hearings)	CR 12	December 5, 1966
Vending Machines Racket	CR 14	March 11, 1967
Organized Crime in Rosemont	CR 15	March 11, 1967
Cook County Jail	CR 16	March 14, 1967
Attendant Service Corporation	CR 17	May 19, 1967
Grant of Immunity to Phil Tolomeo and Roy Sears	CR 18	April 15, 1967
Retail Occupational Tax Evasion	CR 19	July 21, 1967
Alleged Official Miscon- duct in Sangamon County	CR 20	September 23, 1967
Alleged Official Miscon- duct in Calumet Park	CR 21	September 23, 1967
Beauty Culturists Associa- tion of Chicago	CR 22	September 23, 1967
Organized Crime in Illinois	CR 23	November 4, 1967
Alleged Official Miscon- duct in Addison	CR 24	January 20, 1968
Grant of Immunity to Chris Cardi and Patsy Ricciardi	CR 25	February 24, 1968
Alleged Misconduct in Sangamon County (Public Hearings)	CR 26	April 26, 1968
Cigarette Tax Evasion	CR 27	September 21, 1968
Organized Crime in Cairo	CR 28	September 21, 1968
Organized Crime in Alex- ander, Jackson, Pulaski, Union, and Williamson Counties	CR 29	November 23, 1968

<u>Investigation</u>	<u>Resolution</u>	<u>Date of Adoption</u>
Organized Crime in La Salle	CR 31	January 8, 1969
Alleged Official Miscon- duct in Oak Forest	CR 32	February 28, 1969
Seventh Step Foundation	CR 34	May 6, 1969
Manufacture of Gambling Paraphernalia	CR 35	July 12, 1969
The SDS Riots in Chicago	SR 171 CR 38	October 21, 1969 November 24, 1969
Infiltration of Organized Crime in Elk Grove Village Legitimate Business	CR 37	October 22, 1969
Traffic of Narcotics and Dangerous Drugs	CR 39	September 12, 1970
Illicit Traffic in Stolen Securities	CR 41 HJR 119	March 10, 1971 June 23, 1972
Illegal Mexican Aliens	CR 1	August 16, 1971
Credit Card Fraud	CR 2 HJR 114	August 16, 1971 January 13, 1972
Failure of City Savings and Loan Association	CR 3 HJR 115	September 13, 1971 January 13, 1972
Intrastate Airlines	CR 4 HJR 97	October 27, 1971 November 11, 1971
Cook County Hospital	CR 5 HJR 103	November 12, 1971 December 13, 1971
Charges by Oscar A. Weil	HJR 134	May 15, 1972
State Building Contracts: Golab ski, Spinney and Coady	SJR 72	May 25, 1972
Peoria State Hospital	HJR 146	June 26, 1972

<u>Investigation</u>	<u>Resolution</u>	<u>Date of Adoption</u>
State Building Contracts: Capitol Rehabilitation Project	SJR 79	June 30, 1972
Illinois Racing Board Dates	HR 847	December 15, 1972
Illinois Horse Racing: Legislation and Criminal Practices	HR 219	April 27, 1973
Abuse of Medical Prescrip- tions for Dangerous Drugs	HR 285	May 8, 1973
Elgin State Hospital	HR 382	June 1, 1973
Fireworks Plant Explosions and Bootleg Traffic	HR 414	June 14, 1973
Funding Irregularities at Three State Universities	HR 289	June 30, 1973
Redlining: Home Improve- ment Loans	HR 321	June 30, 1973
Fencing (Criminal Redis- tribution of Stolen Prop- erty)	CR 6	December 17, 1973
Redlining: Discrimination in Residential Mortgage Loans	HR 753	March 6, 1974
Illinois Extended Care Center	HR 785	April 17, 1974
Chemical Leak at Bulk Terminals Tank Farm	HR 852	April 29, 1974
South Cicero Avenue Bridge	HR 858	April 30, 1974
Illinois Water Pollution Control Program	HR 965	May 28, 1974
Drug Abuse in Secondary Schools	HR 995	June 6, 1974

<u>Investigation</u>	<u>Resolution</u>	<u>Date of Adoption</u>
Lawrence Carr Amusement Company	HR 5	June 21, 1974
Rental Lease in Granite City	HR 733	June 29, 1974
Auto Repair Abuses	HR 1010	July 1, 1974
Kane County Jail	HR 1111	July 1, 1974
Ada S. McKinley Community Services	HR 1069	July 1, 1974
Allegations of Corruption in Motor Vehicles Division of Secretary of State	CR 7	September 17, 1974
Aldermanic Campaign Fund Solicitation Letter	SR 8	January 29, 1975
Lake County Nursing Homes	HR 1277	February 7, 1975
Ku Klux Klan	HR 146	March 25, 1975
Illinois Nursing Homes	HR 115	April 22, 1975
Joliet Prison Riot	HR 228	April 29, 1975
Dan Ryan Expressway Rehabilitation Project	HR 215	May 28, 1975
Mortgage Lenders' Kickbacks to Real Estate Brokers	HR 342	June 28, 1975
Medical Licensing	HR 438	June 30, 1975
Mexican Heroin	HR 529	November 4, 1975
Illinois Bureau of Investigation's Project: Borderline Tavern	HR 548	November 19, 1975
Real Estate Testers Realtors (Expansion of HR 651)	HR 651 HR 703	March 3, 1976 May 20, 1976
Delinquent Tax Sales	HR 833	May 20, 1976
Interstate 55 Barricades	HR 856	May 26, 1976

<u>Investigation</u>	<u>Resolution</u>	<u>Date of Adoption</u>
Auto Insurance Abuses	SR 435	November 18, 1976
Museums in Illinois	HR 1026	November 30, 1976
Race Track Messenger Services	SR 447	December 2, 1976
Currency Exchanges	HR 1088	December 16, 1976
Arsons in Illinois	SR 474	December 16, 1976
Utility Rates-Natural Gas	HR 21	March 3, 1977
Sexual Child Abuse	HR 41	March 23, 1977
Hazardous Landfills	SR 119	June 24, 1977
Illegal Aliens-Joliet	SR 179	June 24, 1977
Redlining-Homeowner's Insurance	SR 283	April 25, 1978
Child Abuse	HR 776	April 26, 1978
Self-Service Gas	HR 150	June 30, 1978
Railway Merger	HR 974	June 30, 1978
Cook County Governing Commission	HR 1053	June 30, 1978
The Wic Program in Illinois	HR 208	April 19, 1979
Child Molestation	HR 138	April 24, 1979

Appendix B

PUBLICATIONS BIBLIOGRAPHY

Following is a listing of publications produced by the Illinois Crime Investigating Commission from 1965 through 1970, and by its successor agency, the Illinois Legislative Investigating Commission, from 1971 to date.

1965 REPORT TO THE 74TH GENERAL ASSEMBLY

For the years 1963, 1964

Published February, 1965, 19 pages

1967 REPORT TO THE 75TH GENERAL ASSEMBLY

For the years 1965, 1966

Published February, 1967, 21 pages

1969 REPORT TO THE 76TH GENERAL ASSEMBLY

For the years 1967, 1968

Published February, 1969, 32 pages

THE S. D. S. RIOTS

October 8 - 11, 1969, In Chicago, Illinois

Published April, 1970, 799 pages

JUICE RACKETEERS

Report on Criminal Usury in the Chicago area

Published June, 1970, 148 pages

1971 REPORT TO THE 77TH GENERAL ASSEMBLY

For the years 1969, 1970

Published February, 1971, 28 pages

THE ILLEGAL MEXICAN ALIEN PROBLEM

Published October, 1971, 48 pages

THE DRUG CRISIS

Report on Drug Abuse in Illinois

Published October, 1971, 376 pages

THE FAILURE OF THE CITY SAVINGS ASSOCIATION

Published January, 1972, 112 pages

1972 REPORT TO THE 77TH GENERAL ASSEMBLY

Activities of 1971

Published February, 1972, 40 pages

REPORT OF CHARGES OF LEGISLATIVE CORRUPTION MADE BY ONE
OSCAR A. WEIL

Published June, 1972, 18 pages

INTRASTATE AIR OPERATIONS IN ILLINOIS

Published July, 1972, 180 pages

CREDIT CARD FRAUD IN ILLINOIS

Published September, 1972, 264 pages

COOK COUNTY HOSPITAL

Published November, 1972, 188 pages

STATE BUILDING CONTRACTS

Involving the Architectural Firm of Golabowski, Spinney &
Coady

Published December, 1972, 112 pages

1973 REPORT TO THE 78TH GENERAL ASSEMBLY

Activities of 1972

Published February, 1973, 56 pages

PEORIA STATE HOSPITAL

Published February, 1973, 80 pages

ILLINOIS LEGISLATIVE INVESTIGATING COMMISSION ACT

Act and Rules of the Commission

Published February, 1973, 15 pages

THE ILLINOIS RACING BOARD CONTROVERSY

Published March, 1973, 124 pages

ILLICIT TRAFFIC IN STOLEN SECURITIES

Published October, 1973, 96 pages

STATE BUILDING CONTRACTS

Involving the Capitol Rehabilitation Project and Other
Building Contracts from 1962 - 1972

Published October, 1973, 188 pages

1974 REPORT TO THE 78TH GENERAL ASSEMBLY

Activities of 1973

Published March, 1974, 48 pages

ILLINOIS HORSE RACING

A study of Legislation and Criminal Practices

Published March, 1974, 292 pages

"RED LINING"

Alleged Discrimination in Home Improvement Loans

Published March, 1974, 96 pages

FUNDING IRREGULARITIES IN PRESIDENTIAL HOUSING AT THREE
STATE UNIVERSITIES

Western Illinois, Eastern Illinois, and Illinois State
Published April, 1974, 128 pages

FIREWORKS

Plant Explosions and Bootlet Traffic in Illinois
Published June, 1974, 360 pages

PATIENT DEATHS AT ELGIN STATE HOSPITAL

Published June, 1974, 264 pages

LAWRENCE CARR AMUSEMENT COMPANY

Published June, 1974, 69 pages

THE SOUTH CICERO AVENUE BRIDGE CONTROVERSY

Published October, 1974, 41 pages

ABUSE OF MEDICAL PRESCRIPTIONS FOR DANGEROUS DRUGS

Published November, 1974, 352 pages

RENTAL LEASE IN GRANITE CITY

For the Use of the Illinois Bureau of Employment Security
Published January, 1975, 60 pages

ANNUAL REPORT FOR 1974

Published January, 1975, 134 pages

KANE COUNTY JAIL

Published March, 1975, 96 pages

ALLEGATION THAT RECORDS OF TRAFFIC VIOLATIONS WERE ILLEGALLY
REMOVED FROM FILES OF DRIVER'S LICENSE DIVISION OF SECRETARY
OF STATE

Published April, 1975, 14 pages

THE KU KLUX KLAN IN ILLINOIS

First Interim Report to the General Assembly
Published May, 1975, 13 pages

REDLINING

Discrimination in Residential Mortgage Loans
Published May, 1975, 428 pages

ALDERMANIC CAMPAIGN FUND SOLICITATION LETTER

Alleged Conflict of Interest
Published June, 1975, 80 pages

THE JOLIET CORRECTIONAL CENTER RIOT OF APRIL 22, 1975

Published June, 1975, 48 pages

CHEMICAL LEAK AT THE BULK TERMINALS TANK FARM

Published June, 1975, 204 pages

AUTO REPAIR ABUSES

Published June, 1975, 204 pages

ILLINOIS WATER POLLUTION CONTROL PROGRAM

Published June, 1975, 32 pages

ADA S. MCKINLEY COMMUNITY SERVICES

Published June, 1975, 56 pages

SEVEN PATIENT DEATHS AT ILLINOIS EXTENDED CARE CENTER

Published June, 1975, 244 pages

THE KU KLUX KLAN IN ILLINOIS

Second Interim Report to the General Assembly

Published October, 1975, 12 pages

DAN RYAN EXPRESSWAY REHABILITATION PROJECT

Published January, 1976, 160 pages

MEDICAL LICENSING IN ILLINOIS

Published January, 1976, 48 pages

ANNUAL REPORT OF 1975

Published February 1976, 92 pages

KU KLUX KLAN IN ILLINOIS

Third Interim Report to the General Assembly

Published March, 1976, 12 pages

MEXICAN HEROIN

Published June, 1976, 172 pages

DELINQUENT TAX SALES

Published September, 1976, 72 pages

KU KLUX KLAN

Published October, 1976, 180 pages

MORTGAGE LENDERS' KICKBACKS TO REAL ESTATE BROKERS

Published October, 1976, 84 pages

ILLINOIS BUREAU OF INVESTIGATION'S PROJECT:

BORDERLINE TAVERN

Published January, 1977, 80 pages

ANNUAL REPORT OF 1976

Published February, 1977, 70 pages

LAKE COUNTY NURSING HOMES
Published February, 1977, 304 pages

RACE TRACK MESSENGER SERVICES
Published March, 1977, 68 pages

CURRENCY EXCHANGES
Published March, 1977, 70 pages

INTERSTATE 55 BARRICADES
Published June, 1977, 37 pages

ANNUAL REPORT OF 1977
Published February, 1978, 65 pages

FENCING
Criminal Redistribution of Stolen Property
Published May, 1978, 70 pages

ARSONS
Published May, 1978, 126 pages

REDLINING--HOMEOWNERS' INSURANCE
Interim Report
Published June, 1978, 9 pages

ILLEGAL ALIENS--JOLIET
Published July, 1978, 47 pages

NATURAL GAS UTILITY RATES
Published December, 1978, 84 pages

ANNUAL REPORT OF 1978
Published February, 1979, 61 pages

COOK COUNTY HEALTH & HOSPITALS GOVERNING COMMISSION (Interim Report)
Published June, 1979, 40 pages

THE WIC PROGRAM IN ILLINOIS
Published November, 1979, 169 pages

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