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May 2, 2012

MEMORANDUM

TO: The Honorable Patrick Quinn, Governor, State of Illinois
The Honorable John Cullerton, President of the Senate
The Honorable Michael Madigan, Speaker of the House of Representatives
The Honorable Christine Radogno, Minority Leader of the Senate
The Honorable Tom Cross, Minority Leader of the House of Representatives
The Honorable Jesse White, Secretary of State
Michelle R. B. Saddler, Secretary, Illinois Department of Human Services

RE: Advisory Opinion of the Commission on Government Forecasting and Accountability
Regarding the Closure of the Warren G. Murray Developmental Center

The Commission met on Tuesday, May 1, 2012 at 10:30 am to take final action on the proposed closure of the Warren G. Murray Developmental Center (Murray) and to accept or reject the recommendation for closure submitted by the Department of Human Services for that facility. The Commission, on a vote of 3-7, rejected the recommendation by the Department of Human Services to close the Warren G. Murray Developmental Center in Centralia, Illinois. A copy of the motion to accept the recommendation for closure and the vote tally is attached.

INTRODUCTION AND BACKGROUND

The Department of Human Services officially notified the Commission on Government Forecasting and Accountability (the Commission) of the intent to close the Warren G. Murray Developmental Center (Murray) on February 22, 2012. According to the State Facilities Closure Act (30 ILCS 608/5-10): "In the case of a proposed closure of: (i) a prison, youth center, work camp or work release center operated by the Department of Corrections; (ii) a school, mental health center, or center for the developmentally disabled operated by the Department of Human Services; or (iii) a residential facility operated by the Department of Veterans' Affairs, the Commission must require the executive branch officers to file a recommendation for closure. The recommendation must be filed within 30 days after the Commission delivers the request for recommendation to the State executive branch officer."

The Commission requested the required recommendation on March 1, 2012. The Department of Human Services submitted the recommendation for closure to the Commission on March 30, 2012. Following the State Facility Closure Act requirements for conducting a public hearing within 35 days after the filing of the recommendation and no more than 25 miles from the facility, the Commission conducted a public hearing regarding the closure of the Murray Developmental Center on April 20, 2012 at 3:00 P.M. at Centralia High School in Centralia, Illinois.

The Warren G. Murray Developmental Center operates in Centralia, Illinois utilizing 119 acres and 18 buildings. Five of the 18 buildings are residential areas housing approximately 55 persons each. DHS has noted that significant capital expenditures would be needed to maintain operations and stay in compliance with federal regulations. The power and heat generation plant is inefficient and coal-powered, which has concerned the federal Environmental Protection Agency. Also, the boiler house is 49 years old and requires major repairs to maintain system operations. The kitchen equipment in the Center is dated and must be repaired by using custom fabricated parts. In addition, four of the 18 buildings at the Center have roofs in need of replacement.

The Murray Developmental Center serves 274 individuals with developmental disabilities according to the Department of Human Services (DHS). According to DHS, final disposition of the residents cannot be provided until meetings with the residents and guardians are completed. The Department has indicated that they "estimate that the vast majority of individuals residing at this Center (274) will transition to licensed or certified community-based settings."

Approximately 575 full-time employees currently work at the Murray Developmental Center. DHS has not stated in their communications with the Commission what the disposition of these staff members will be, claiming that such information is impossible to know until the final closure agreement is negotiated with AFSCME. DHS also notes that among other unions that will be impacted are the Illinois Nurses Association, the Teamsters and the Illinois Federation of Public Employees. The Department has estimated the cost of operating the Murray Developmental Center at \$41.1 million annually.

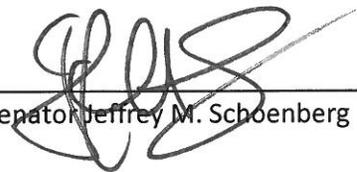
The transition plan will incur significant costs. DHS has stated a plan to move approximately 180 residents out of the Murray Center during FY 2013. The transition cost is estimated to be approximately \$84,000 per individual in addition to a one-time payment of \$5,300 per individual for resident assessment and transition planning. The total cost of the transitions through FY 2013 is expected to be approximately \$6.624 million. By FY 2015, DHS estimates a total cost reduction of \$16.6 million by closing this center.

DHS has provided the Commission with an economic impact study conducted by the University of Illinois regarding the potential economic/financial impact of the Murray Center closing. According to this study, the Murray Center employs 643 individuals directly, but causes (either indirectly or through induction) an additional 184 jobs within the area for a total of 826 jobs. These additional positions are in many cases subsidiary positions and complementary positions that have grown to accommodate the needs of the Murray Center and their employees. Also of interest to the Commission is the information contained within the study regarding tax revenues to the State. The study estimates that the Murray Center is responsible for approximately

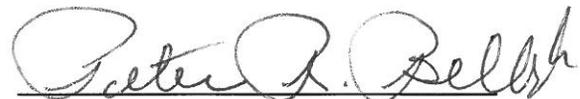
\$638,113 in state sales tax revenues and \$332,285 in state income tax revenues. According to the study, the closing of the Murray Center will have additional components that are not measured, including effects on school enrollment/property taxation/etc.

During the Commission meeting leading up to the final vote, members voiced a number of issues and concerns with the proposed closure of the Murray Center. Foremost among these concerns was a desire for a better plan for closure that ensures a long-term effort to ensure the safety and security of current Center residents. In addition, concerns were expressed regarding the options for private and local involvement in the Center for the purposes of reducing costs.

Taking these concerns and suggestions in mind and after hearing testimony from the Department of Human Services and numerous other individuals and organizations, the majority of the Commission (on a 3-7 vote) voted to reject the Department of Human Services recommendation to close the Warren G. Murray Developmental Center.



Senator Jeffrey M. Schoenberg



Representative Patricia R. Bellock

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S333

MOTION:
**TO ACCEPT THE RECOMMENDATION FOR CLOSURE OF
WARREN G. MURRAY DEVELOPMENTAL CENTER**

Pursuant to the State Facility Closure Act (30 ILCS 608), after hearing testimony regarding the proposed closure of **Warren G. Murray Developmental Center in Centralia, Illinois**, I move that the Commission on Government Forecasting and Accountability accept the recommendation for closure submitted by the Illinois Department of Human Services regarding Warren G. Murray Developmental Center.

