

1 TITLE 74: PUBLIC FINANCE  
2 CHAPTER VIII: ILLINOIS FINANCE AUTHORITY

3  
4 PART 1100  
5 ILLINOIS FINANCE AUTHORITY

6  
7 SUBPART A: ILLINOIS FINANCE AUTHORITY

8  
9 Section

10	1100.50	Definitions
11	1100.100	Composition, Appointment and Terms of Office
12	1100.105	Board Chairman
13	1100.110	Executive Director
14	1100.115	Meetings
15	1100.120	Records and Reports
16	1100.125	Public Participation
17	1100.130	Rulemaking Procedures
18	1100.135	Purchasing Rules and Regulations
19	1100.140	Seal
20	1100.145	Principal Office
21	1100.150	Revision
22	1100.155	Construction; Waiver; Severability

23  
24 SUBPART B: FINANCING PROGRAMS

25  
26 Section

27	1100.200	Summary and Purpose
28	1100.202	Definitions
29	1100.204	Application Forms
30	1100.206	Notice to Municipalities
31	1100.208	Changes in Information and Additional Information
32	1100.210	Meetings of the Authority
33	1100.212	Eligible Projects
34	1100.215	Scheduling of Project Consideration
35	1100.220	Staff Review
36	1100.225	Authority Action
37	1100.230	General Criteria for Approval
38	1100.235	Additional Criteria for Commercial Projects
39	1100.240	Submission of Documents
40	1100.245	Public Hearing Procedures and Responsibilities
41	1100.250	Final Public Approval
42	1100.255	Requests for Allocation
43	1100.260	Amendatory Resolutions

- 44 1100.265 Bond Counsel on Pooled Bond Issues
- 45 1100.270 Program Requirements; Standardized Documents
- 46 1100.275 Transcripts
- 47 1100.280 Authority Fees
- 48 1100.285 Noncompliance and Waiver

49

50 SUBPART C: VETERANS ASSISTANCE

51

52 Section

- 53 1100.300 Purposes and Objectives; Compliance with Federal Law; Forms for Program
- 54 1100.305 Applicant Eligibility
- 55 1100.310 Pre-Filing Stage
- 56 1100.315 Filing of Application
- 57 1100.320 Approval of Application
- 58 1100.325 Denial of Application
- 59 1100.330 Priority of Application
- 60 1100.335 Source of Payment and Nature of Obligation
- 61 1100.340 Fees
- 62 1100.345 Purchase of Governmental Unit Bonds

63

64 SUBPART D: ILLINOIS DEVELOPMENT ACTION GRANT PROGRAM

65

66 Section

- 67 1100.400 Purpose; Definitions; Incorporation by Reference
- 68 1100.405 Eligible Applicants; Eligible Projects
- 69 1100.410 Municipal Approval
- 70 1100.415 Application Requirements
- 71 1100.420 Technical Assistance
- 72 1100.425 On-Site Inspection
- 73 1100.430 Selection Criteria
- 74 1100.435 Deadlines
- 75 1100.440 Funding Restrictions and Eligible Costs
- 76 1100.445 Grant Agreement
- 77 1100.450 Disbursement of Grants
- 78 1100.455 Recordkeeping and Access to Information
- 79 1100.460 Progress Reports
- 80 1100.465 Audit Requirements
- 81 1100.470 Grant Monitoring and Recovery
- 82 1100.475 Project Completion Notice

83

84 SUBPART E: ILLINOIS HOUSING PARTNERSHIP PROGRAM

85

86 Section

87	1100.500	Purpose; Definitions; Incorporation by Reference
88	1100.505	Eligible Applicants; Eligible Projects
89	1100.510	Municipal Approval
90	1100.515	Application Requirements
91	1100.520	On-Site Inspection
92	1100.525	Selection Criteria
93	1100.530	Deadlines
94	1100.535	Funding Restrictions and Eligible Costs
95	1100.540	Loan Agreement
96	1100.545	Disbursement and Repayment of Loans
97	1100.550	Loan Terms
98	1100.555	Recordkeeping and Access to Information
99	1100.560	Progress Reports
100	1100.565	Audit Requirements
101	1100.570	Loan Monitoring and Recovery
102	1100.575	Project Completion Notice

103

104                                   SUBPART F: LOAN PARTICIPATION PROGRAM

105

106 Section

107	1100.600	Introduction
108	1100.610	Who May Apply for Financing
109	1100.620	Types of Educational and Cultural Facilities that Can Be Financed
110	1100.630	Types of Costs that Can Be Financed: Outstanding Debt
111	1100.640	Application Guidelines
112	1100.650	Interest Rate on the Authority's Bonds
113	1100.660	Method of Financing
114	1100.670	Length of Bond Issue
115	1100.680	Type of Bond Issue
116	1100.690	Fees

117

118                                   SUBPART G: FARM DEVELOPMENT PROGRAM

119

120 Section

121	1100.700	Definitions
122	1100.705	Rules and Guidelines Applicable to Bond Programs under this Subpart
123	1100.710	Bond Programs and Rules Applicable to Each
124	1100.715	Rules and Guidelines Applicable to the Interest Buy Down Program
125	1100.720	Rules and Guidelines Applicable to the Young Farmer Guarantee Program
126	1100.725	Rules and Guidelines Applicable to the State Guarantee Program for Restructuring Agricultural Debt
127		
128	1100.730	Rules and Guidelines Applicable to the Specialized Livestock Guarantee Program
129	1100.735	Rules and Guidelines Applicable to the State Guarantee Program for Agri-

130 Industries

131

132 SUBPART H: FIRE TRUCK REVOLVING LOAN PROGRAM

133

134 Section

135 1100.800 Definitions

136 1100.803 Severability

137 1100.805 Purpose

138 1100.810 Eligible Expenditures

139 1100.815 Loan Application Review

140 1100.817 Funding Criteria and Credit Review Process

141 1100.820 Loan Documents and Servicing

142 1100.825 Repayment Procedures

143 1100.830 Terms and Conditions of Loan Agreement

144

145 SUBPART I: AMBULANCE REVOLVING LOAN PROGRAM

146

147 Section

148 1100.900 Definitions

149 1100.903 Severability

150 1100.905 Purpose

151 1100.910 Eligible Expenditures

152 1100.915 Loan Application Review

153 1100.917 Funding Criteria and Credit Review Process

154 1100.920 Loan Documents and Servicing

155 1100.925 Repayment Procedures

156 1100.930 Terms and Conditions of Loan Agreement

157

158 SUBPART J: FIRE SPRINKLER DORMITORY REVOLVING LOAN PROGRAM

159

160 Section

161 1100.1000 Definitions

162 1100.1005 Purpose

163 1100.1010 Eligible Expenditures

164 1100.1015 Loan Application Review

165 1100.1017 Funding Criteria and Credit Review Process

166 1100.1020 Loan Documents and Servicing

167 1100.1025 Repayment Procedures

168 1100.1030 Terms and Conditions of Loan Agreement

169

170 SUBPART K: FIRE STATION REVOLVING LOAN PROGRAM

171

172 Section

- 173 1100.1100 Definitions
- 174 1100.1103 Severability
- 175 1100.1105 Purpose
- 176 1100.1110 Eligible Expenditures
- 177 1100.1115 Loan Application Review
- 178 1100.1117 Funding Criteria and Credit Review Process
- 179 1100.1120 Loan Documents and Servicing
- 180 1100.1125 Repayment Procedures
- 181 1100.1130 Terms and Conditions of Loan Agreement

182  
183 1100.TABLE A Income Limits

184  
185 AUTHORITY: Implementing and authorized by the Illinois Finance Authority Act [20 ILCS  
186 3501].

187  
188 SOURCE: Recodified from the Illinois Farm Development Authority (8 Ill. Adm. Code 1400),  
189 the Illinois Development Finance Authority (14 Ill. Adm. Code 1200, 1210, 1220), the Illinois  
190 Educational Facilities Authority (23 Ill. Adm. Code 2310, 2320), and the Illinois Rural Bond  
191 Bank (47 Ill. Adm. 400, 410, 420) to the Illinois Finance Authority at 31 Ill. Reg. 12104;  
192 amended at 34 Ill. Reg. 497, effective December 23, 2009; amended at 34 Ill. Reg. 3272,  
193 effective February 23, 2010; amended at 39 Ill. Reg. 4924, effective March 19, 2015; recodified  
194 at 44 Ill. Reg. 14378; amended at 49 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_.

195  
196 SUBPART H: FIRE TRUCK REVOLVING LOAN PROGRAM

197  
198 **Section 1100.810 Eligible Expenditures**

- 199
- 200 a) Subject to the availability of funds, loans are available to be made under the  
201 Program for zero-interest loans or low-interest loans to applicants for the purchase  
202 of fire trucks or brush trucks as deemed eligible under OSFM's administrative  
203 rules at 41 Ill. Adm. Code 290.20 and 290.30.  
204
  - 205 b) Loan proceeds may be used to pay off a loan that was obtained no more than one  
206 year prior to ~~the program application deadline posted by OSFM~~~~the receipt of a~~  
207 ~~loan under this Program~~ if the loan being paid off was obtained to purchase the  
208 fire truck or brush truck that is the subject of the application that was approved  
209 under this Program.  
210

211 (Source: Amended at 49 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

212  
213 **Section 1100.817 Funding Criteria and Credit Review Process**

214

215 In addition to the loan application review criteria developed by OSFM (see 41 Ill. Adm. Code  
216 290.55), the credit review process and funding criteria approved by the Authority for this  
217 Program are as follows:

- 218
- 219 a) The Authority's ~~Executive Director~~~~Chief Financial Officer~~, or his or her designee,  
220 will ~~review~~~~serve as an ex officio, non-voting member of OSFM's Loan~~  
221 ~~Application Review Committee for the purpose of reviewing~~ submitted  
222 ~~application~~~~loan~~ documentation to ensure that all documents necessary for the  
223 Authority to initiate its credit and due diligence review are present (see 41 Ill.  
224 Adm. Code 290.40).
- 225
- 226 b) If an applicant is delinquent on a previous loan funded by the Authority, the  
227 applicant shall be automatically disqualified from funding under this Program  
228 until any loan repayment delinquency has been cured.
- 229
- 230 c) The applicant must demonstrate its ability to meet at least one of the following  
231 minimum debt service coverage requirements:
- 232
- 233 1) General fund revenues or specified revenue stream: 1.25x; or
- 234
- 235 2) State intercept revenues: 1.25x; or
- 236
- 237 3) Direct property levy for the loan: 1.00x.
- 238
- 239 d) The applicant must submit supporting documentation for the source of repayment  
240 as follows:
- 241
- 242 1) For general fund or specified revenues, submit a current board-approved  
243 budget that reflects the identified revenue source and amount (or, as  
244 applicable, beginning in the first fiscal year for which a scheduled loan  
245 payment will be due); or
- 246
- 247 2) For direct property tax levy (i.e., general obligation), submit a copy of the  
248 levy and the ordinance authorizing the levy prior to the funding date or in  
249 advance of the fiscal year during which the initial loan payment will be  
250 due.
- 251
- 252 e) If the applicant's repayment source is property tax receipts, the applicant's actual  
253 property tax collections over the past three fiscal years must exceed 95% of the  
254 total possible tax collection.
- 255

256 f) The applicant must provide a resolution or ordinance approved by the applicant's  
257 governing board~~Board~~ that authorizes approval of the following~~includes the~~  
258 following approvals:

- 259
- 260 1) Loan Application;
  - 261
  - 262 2) Loan Agreement;
  - 263
  - 264 3) Sources and amounts of repayment;
  - 265
  - 266 4) Consent to a State intercept of state-sourced revenues, as applicable~~State~~  
267 intercept agreement; and
  - 268
  - 269 5) Lien on the fire truck or brush truck purchased, if required by the  
270 Authority.
  - 271

- 272 g) Each loan must be secured by the applicant's:
- 273
  - 274 1) General funds or, if available, a direct property tax levy or State revenue  
275 intercept; and
  - 276
  - 277 2) If the Authority in its sole discretion determines it is necessary,  
278 possession~~Possession~~ of the title to the property or an Authority lien on the  
279 equipment purchased,~~if the Authority, in its sole discretion, decides to~~  
280 ~~accept such a lien.~~
  - 281

282 (Source: Amended at 49 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

283

284 **Section 1100.825 Repayment Procedures**

285

- 286 a) Loans shall be repaid within 20 years, except that loans to finance acquisition of  
287 brush trucks shall be repaid within 10 years.
- 288
- 289 b) For the purchase of brush trucks by a fire department, the Program shall provide  
290 loans at a 2% rate of simple interest per year if both the brush truck chassis and  
291 the apparatus are built outside of Illinois; a 1% rate of simple interest per year if  
292 either the brush truck chassis or the apparatus is built in Illinois; or a 0% rate if  
293 both the brush truck chassis and the apparatus are built in Illinois. The applicable  
294 interest rate shall be fixed and remain in effect for the term of the loan.
- 295
- 296 c) The rate of interest on loans under the Program, except for brush trucks, will be a  
297 0% fixed interest rate (and remain in effect until the final maturity date of the  
298 loan) unless the applicant has one or more investment grade credit ratings (i.e., at

299 or above "Baa3" or "BBB-" or the equivalent) from any nationally recognized  
300 municipal credit rating agency. The applicable interest rate shall be fixed and  
301 remain in effect until the final maturity date of the loan.  
302

303 d) For applicants that do not qualify for 0% loans pursuant to subsection (c), the  
304 interest rate shall be determined as follows:  
305

306 1) Effective January 1, 2025, the The interest rate will be set as of each  
307 January 1 for applications received during such calendar year, with such  
308 interest rate applicable to such loans irrespective of the calendar year  
309 when any such loan closes and funds ~~loans that are documented and funded~~  
310 ~~during that calendar year;~~  
311

312 2) The interest rate will be equivalent to 50% of the mean of the Bond  
313 Buyer's 20-Bond General Obligation Index for the 12 month period that  
314 ended September 30 of the prior calendar year ~~(and will represent the~~  
315 ~~interest rates in effect as of October 1 of each year under the Illinois~~  
316 ~~Environmental Protection Agency's State Revolving Fund/Clean Water~~  
317 ~~Initiative Programs); and~~  
318

319 3) The loans will bear interest on a simple interest basis. The applicable  
320 interest rate shall be fixed and remain in effect until the final maturity date  
321 of the loan.  
322

323 e) Payments on the loan (principal and accrued interest, if any) shall be made on an  
324 annual basis in equal installments as provided in the Loan Agreement with the  
325 Authority, subject to the applicable minimum annual amortization requirement set  
326 forth in the Act. The Authority shall deposit the payments received into the Fire  
327 Truck Revolving Loan Fund in accordance with the Act, if required by law.  
328

329 1) Loan payments shall be due on November 1 of each year, with the initial  
330 payment due based on the loan funding date, as follows:  
331

332 A) If the time period between loan funding date and the immediately  
333 following November 1 is 180 days or more, the first payment shall  
334 be due on November 1 immediately following the loan funding  
335 date; or  
336

337 B) If the time period between the loan funding date and the  
338 immediately following November 1 is less than 180 days, the first  
339 payment shall be due on the second November 1.  
340



- 341 2) After the first payment is made, succeeding payments shall be due on each
- 342 November 1 thereafter until repaid in full.
- 343
- 344 3) Payments shall be made payable to the "Illinois Finance Authority – Fire
- 345 Truck Revolving Loan Fund", with payments submitted by wire transfer,
- 346 by electronic funds transfer (automated clearing house), or by check
- 347 pursuant to instructions provided in the annual invoice on each loan.
- 348
- 349 4) Payments not received within 15 calendar days after the due date shall be
- 350 assessed a penalty of 5% of the payment amount due. Nevertheless, this
- 351 late payment penalty shall be waived whenever the postmark date on an
- 352 envelope used to submit a payment by check is dated a minimum of five
- 353 days or more before the end of the 15 calendar day grace period.
- 354 Payments remitted via wire transfer shall not be assessed late payment
- 355 penalty if the wire transfer payment is received before the end of the 15-
- 356 day grace period.
- 357
- 358 5) A recipient may prepay all or a portion of the balance due on the loan,
- 359 without penalty, on any date, provided that the recipient initiates contact
- 360 with the Authority to obtain the total amount of the principal and accrued
- 361 interest, if any, due on the repayment date.
- 362

(Source: Amended at 49 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

SUBPART I: AMBULANCE REVOLVING LOAN PROGRAM

**Section 1100.910 Eligible Expenditures**

- 369 a) Subject to the availability of funds, loans are available to be made under the
- 370 Program for zero-interest loans and low-interest loans to applicants for the
- 371 purchase of ambulances as deemed eligible under OSFM's administrative rules at
- 372 41 Ill. Adm. Code 292.20 and 292.30.
- 373
- 374 b) Loan proceeds may be used to pay off a loan that was obtained no more than one
- 375 year prior to the program application deadline posted by OSFM~~the receipt of a~~
- 376 ~~loan under this Program~~ if the loan being paid off was obtained to purchase the
- 377 ambulance that is the subject of the application that was approved under this
- 378 Program.
- 379

(Source: Amended at 49 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

**Section 1100.917 Funding Criteria and Credit Review Process**

384 In addition to the Criteria for Review of Loan Applications developed by OSFM (see 41 Ill.  
385 Adm. Code 292.60), the credit review process and funding criteria approved by the Authority for  
386 this Program are as follows:

- 387
- 388 a) The Authority's ~~Executive Director~~~~Chief Financial Officer~~, or his or her designee,  
389 will ~~review~~~~serve as an ex officio, non-voting member of OSFM's Loan~~  
390 ~~Application Review Committee for the purpose of reviewing~~ submitted  
391 ~~application~~~~loan~~ documentation to ensure that all documents necessary for the  
392 Authority to initiate its credit and due diligence review are present (see 41 Ill.  
393 Adm. Code 292.40).
- 394
- 395 b) If an applicant is delinquent on a previous loan funded by the Authority, the  
396 applicant shall be automatically disqualified from funding under this Program  
397 until any loan repayment delinquency has been cured.
- 398
- 399 c) The applicant must demonstrate its ability to meet at least one of the following  
400 minimum debt service coverage requirements:
- 401
- 402 1) General fund revenues or specified revenue stream: 1.25x; or
- 403
- 404 2) State intercept revenues: 1.25x; or
- 405
- 406 3) Direct property levy for the loan: 1.00x.
- 407
- 408 d) The applicant must submit supporting documentation for the source of repayment  
409 as follows:
- 410
- 411 1) For general fund or specified revenues, submit a current Board-approved  
412 budget that reflects the identified revenue sources and amounts (or, as  
413 applicable, beginning in the first fiscal year for which a scheduled loan  
414 payment will be due); or
- 415
- 416 2) For direct property tax levy (i.e., general obligation), submit a copy of the  
417 levy and the ordinance authorizing the levy prior to the funding date or in  
418 advance of the fiscal year during which the initial loan payment will be  
419 due.
- 420
- 421 e) If the applicant's repayment source is property tax receipts, the applicant's actual  
422 property tax collections over the past three fiscal years must exceed 95% of the  
423 total possible tax collection.
- 424

425 f) The applicant must provide a resolution or ordinance approved by the applicant's  
426 governing board~~Board~~ that authorizes approval of the following~~includes the~~  
427 following approvals:

- 428
- 429 1) Loan Application;
  - 430
  - 431 2) Loan Agreement;
  - 432
  - 433 3) Sources and amounts of repayment;
  - 434
  - 435 4) Consent to a State intercept of state-sourced revenues, as applicable~~State~~  
436 intercept agreement; and
  - 437
  - 438 5) Lien on the ambulance purchased, if required by the Authority.

439 g) Each loan must be secured by the applicant's:

- 440
- 441 1) General funds or, if available, a direct property tax levy or State revenue  
442 intercept; and
  - 443
  - 444 2) If the Authority in its sole discretion determines it is necessary,  
445 possession~~Possession~~ of the title to the property or an Authority lien on the  
446 equipment purchased,~~if the Authority, in its sole discretion, decides to~~  
447 accept such a lien.
  - 448
  - 449

450 (Source: Amended at 49 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

451

452 **Section 1100.925 Repayment Procedures**

- 453
- 454 a) Loans shall be repaid within 10 years.
  - 455
  - 456 b) The rate of interest on loans under the Program will be a 0% fixed interest rate  
457 (and remain in effect for the duration of the loan) unless the applicant has one or  
458 more investment grade credit ratings (i.e., at or above "Baa3" or "BBB-" or the  
459 equivalent) from any nationally recognized municipal credit rating agency.
  - 460
  - 461 c) For applicants that do not qualify for zero-percent loans pursuant to subsection  
462 (b), the interest rate shall be determined as follows:
  - 463
  - 464 1) Effective January 1, 2025, the~~The~~ interest rate will be set as of each  
465 January 1 for applications received during such calendar year, with such  
466 interest rate applicable to such loans irrespective of the calendar year

467 when any such loan closes and funds~~loans that are documented and funded~~  
468 ~~during that calendar year;~~

469  
470 2) The interest rate will be equivalent to 50% of the mean of the Bond  
471 Buyer's 20-Bond General Obligation Index for the 12 month period that  
472 ended September 30 of the prior calendar year ~~(and will represent the~~  
473 ~~interest rates in effect as of October 1 of each year under the Illinois~~  
474 ~~Environmental Protection Agency's State Revolving Fund/Clean Water~~  
475 ~~Initiative Program);~~

476  
477 3) The loans will bear a fixed interest rate on a simple interest basis. The  
478 applicable interest rate shall be in effect for the duration of the loan.

479  
480 d) Payments on the loan (principal and accrued interest, if any) shall be made on an  
481 annual basis in equal installments as provided in the Loan Agreement with the  
482 Authority, subject to the applicable minimum annual amortization requirement set  
483 forth in the Act. The Authority shall deposit the payments received into the  
484 Ambulance Revolving Loan Fund in accordance with the Act, if required by law.

485  
486 1) Loan payments shall be due on November 1 of each year with the initial  
487 payment due based on the loan funding date as follows:

488  
489 A) If the time period between the loan funding date and the  
490 immediately following November 1 is 180 days or more, the first  
491 payment shall be due on November 1 immediately following the  
492 loan funding date; or

493  
494 B) If the time period between the loan funding date and the  
495 immediately following November 1 is less than 180 days, the first  
496 payment shall be due on the second November 1 immediately  
497 following the loan funding date.

498  
499 2) After the first payment is made, succeeding payments shall be due on each  
500 November 1 thereafter until repaid in full.

501  
502 3) Payments shall be made payable to the "Illinois Finance Authority –  
503 Ambulance Revolving Loan Fund" with payments submitted by wire  
504 transfer, by electronic funds transfer (automated clearing house), or by  
505 check pursuant to instructions provided in the annual invoice on each loan.

506  
507 4) Payments not received within 15 calendar days after the due date shall be  
508 assessed a penalty of 5% of the payment amount due. Nevertheless, this  
509 late payment penalty shall be waived whenever the postmark date on the

510 envelope used to submit the payment is dated five days or more before the  
511 end of the 15-day grace period. Payments remitted via wire transfer shall  
512 not be assessed late payment penalty if the wire transfer payment is  
513 received before the end of the 15-day grace period.

514  
515 5) Recipient may prepay all or a portion of the balance due on the loan,  
516 without penalty, on any date, provided that the recipient first contacts the  
517 Authority to obtain the total amount of the principal and accrued interest,  
518 if any, due on the repayment date.

519  
520 (Source: Amended at 49 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)