

# SB1430



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

SB1430

Introduced 1/31/2025, by Sen. Sue Rezin

#### SYNOPSIS AS INTRODUCED:

415 ILCS 5/19.3

from Ch. 111 1/2, par. 1019.3

Amends the Environmental Protection Act. Provides that a wastewater treatment facility located in the Village of Lisbon in Kendall County is allowed to apply for the Water Pollution Control Loan Program for the purposes of refinancing existing debt. Effective immediately.

LRB104 09255 BDA 19313 b

A BILL FOR

1 AN ACT concerning safety.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Environmental Protection Act is amended by  
5 changing Section 19.3 as follows:

6 (415 ILCS 5/19.3) (from Ch. 111 1/2, par. 1019.3)

7 Sec. 19.3. Water Revolving Fund.

8 (a) There is hereby created within the State Treasury a  
9 Water Revolving Fund, consisting of 3 interest-bearing special  
10 programs to be known as the Water Pollution Control Loan  
11 Program, the Public Water Supply Loan Program, and the Loan  
12 Support Program, which shall be used and administered by the  
13 Agency.

14 (b) The Water Pollution Control Loan Program shall be used  
15 and administered by the Agency to provide assistance for the  
16 following purposes:

17 (1) to accept and retain funds from grant awards,  
18 appropriations, transfers, and payments of interest and  
19 principal;

20 (2) to make direct loans at or below market interest  
21 rates and to provide additional subsidization, including,  
22 but not limited to, forgiveness of principal, negative  
23 interest rates, and grants, to any eligible local

1 government unit to finance the construction of treatments  
2 works, including storm water treatment systems that are  
3 treatment works, and projects that fulfill federal State  
4 Revolving Fund grant requirements for a green project  
5 reserve;

6 (2.5) with respect to funds provided under the  
7 American Recovery and Reinvestment Act of 2009:

8 (A) to make direct loans at or below market  
9 interest rates to any eligible local government unit  
10 and to provide additional subsidization to any  
11 eligible local government unit, including, but not  
12 limited to, forgiveness of principal, negative  
13 interest rates, and grants;

14 (B) to make direct loans at or below market  
15 interest rates to any eligible local government unit  
16 to buy or refinance debt obligations for treatment  
17 works incurred on or after October 1, 2008; and

18 (C) to provide additional subsidization,  
19 including, but not limited to, forgiveness of  
20 principal, negative interest rates, and grants for  
21 treatment works incurred on or after October 1, 2008;

22 (3) to make direct loans at or below market interest  
23 rates and to provide additional subsidization, including,  
24 but not limited to, forgiveness of principal, negative  
25 interest rates, and grants, to any eligible local  
26 government unit to buy or refinance debt obligations for

1 costs incurred after March 7, 1985, for the construction  
2 of treatment works, including storm water treatment  
3 systems that are treatment works, and projects that  
4 fulfill federal State Revolving Fund grant requirements  
5 for a green project reserve;

6 (3.5) to make loans, including, but not limited to,  
7 loans through a linked deposit program, at or below market  
8 interest rates for the implementation of a management  
9 program established under Section 319 of the Federal Water  
10 Pollution Control Act, as amended;

11 (4) to guarantee or purchase insurance for local  
12 obligations where such action would improve credit market  
13 access or reduce interest rates;

14 (5) as a source of revenue or security for the payment  
15 of principal and interest on revenue or general obligation  
16 bonds issued by the State or any political subdivision or  
17 instrumentality thereof, if the proceeds of such bonds  
18 will be deposited in the Fund;

19 (6) to finance the reasonable costs incurred by the  
20 Agency in the administration of the Fund;

21 (7) to transfer funds to the Public Water Supply Loan  
22 Program; and

23 (8) notwithstanding any other provision of this  
24 subsection (b), to provide, in accordance with rules  
25 adopted under this Title, any other financial assistance  
26 that may be provided under Section 603 of the Federal

1 Water Pollution Control Act for any other projects or  
2 activities eligible for assistance under that Section or  
3 federal rules adopted to implement that Section.

4 (b-5) The wastewater treatment facility located in the  
5 Village of Lisbon in Kendall County, specifically located at  
6 200 East Joliet Street, is allowed to apply for the Water  
7 Pollution Control Loan Program for the purposes of refinancing  
8 existing debt.

9 (c) The Loan Support Program shall be used and  
10 administered by the Agency for the following purposes:

11 (1) to accept and retain funds from grant awards and  
12 appropriations;

13 (2) to finance the reasonable costs incurred by the  
14 Agency in the administration of the Fund, including  
15 activities under Title III of this Act, including the  
16 administration of the State construction grant program;

17 (3) to transfer funds to the Water Pollution Control  
18 Loan Program and the Public Water Supply Loan Program;

19 (4) to accept and retain a portion of the loan  
20 repayments;

21 (5) to finance the development of the low interest  
22 loan programs for water pollution control and public water  
23 supply projects;

24 (6) to finance the reasonable costs incurred by the  
25 Agency to provide technical assistance for public water  
26 supplies; and

1           (7) to finance the reasonable costs incurred by the  
2           Agency for public water system supervision programs, to  
3           administer or provide for technical assistance through  
4           source water protection programs, to develop and implement  
5           a capacity development strategy, to delineate and assess  
6           source water protection areas, and for an operator  
7           certification program in accordance with Section 1452 of  
8           the federal Safe Drinking Water Act.

9           (d) The Public Water Supply Loan Program shall be used and  
10          administered by the Agency to provide assistance to local  
11          government units and privately owned community water supplies  
12          for public water supplies for the following public purposes:

13           (1) to accept and retain funds from grant awards,  
14           appropriations, transfers, and payments of interest and  
15           principal;

16           (2) to make direct loans at or below market interest  
17           rates and to provide additional subsidization, including,  
18           but not limited to, forgiveness of principal, negative  
19           interest rates, and grants, to any eligible local  
20           government unit or to any eligible privately owned  
21           community water supply to finance the construction of  
22           water supplies and projects that fulfill federal State  
23           Revolving Fund grant requirements for a green project  
24           reserve;

25           (2.5) with respect to funds provided under the  
26           American Recovery and Reinvestment Act of 2009:

1           (A) to make direct loans at or below market  
2 interest rates to any eligible local government unit  
3 or to any eligible privately owned community water  
4 supply, and to provide additional subsidization to any  
5 eligible local government unit or to any eligible  
6 privately owned community water supply, including, but  
7 not limited to, forgiveness of principal, negative  
8 interest rates, and grants;

9           (B) to buy or refinance the debt obligation of a  
10 local government unit for costs incurred on or after  
11 October 1, 2008; and

12           (C) to provide additional subsidization,  
13 including, but not limited to, forgiveness of  
14 principal, negative interest rates, and grants for a  
15 local government unit for costs incurred on or after  
16 October 1, 2008;

17           (3) to make direct loans at or below market interest  
18 rates and to provide additional subsidization, including,  
19 but not limited to, forgiveness of principal, negative  
20 interest rates, and grants, to any eligible local  
21 government unit or to any eligible privately owned  
22 community water supply to buy or refinance debt  
23 obligations for costs incurred on or after July 17, 1997,  
24 for the construction of water supplies and projects that  
25 fulfill federal State Revolving Fund requirements for a  
26 green project reserve;

1           (4) to guarantee local obligations where such action  
2           would improve credit market access or reduce interest  
3           rates;

4           (5) as a source of revenue or security for the payment  
5           of principal and interest on revenue or general obligation  
6           bonds issued by the State or any political subdivision or  
7           instrumentality thereof, if the proceeds of such bonds  
8           will be deposited into the Fund;

9           (6) to transfer funds to the Water Pollution Control  
10          Loan Program; and

11          (7) notwithstanding any other provision of this  
12          subsection (d), to provide to local government units and  
13          privately owned community water supplies any other  
14          financial assistance that may be provided under Section  
15          1452 of the federal Safe Drinking Water Act for any  
16          expenditures eligible for assistance under that Section or  
17          federal rules adopted to implement that Section.

18          (e) The Agency is designated as the administering agency  
19          of the Fund. The Agency shall submit to the Regional  
20          Administrator of the United States Environmental Protection  
21          Agency an intended use plan which outlines the proposed use of  
22          funds available to the State. The Agency shall take all  
23          actions necessary to secure to the State the benefits of the  
24          federal Water Pollution Control Act and the federal Safe  
25          Drinking Water Act, as now or hereafter amended.

26          (f) The Agency shall have the power to enter into



1 intergovernmental agreements with the federal government or  
2 the State, or any instrumentality thereof, for purposes of  
3 capitalizing the Water Revolving Fund. Moneys on deposit in  
4 the Water Revolving Fund may be used for the creation of  
5 reserve funds or pledged funds that secure the obligations of  
6 repayment of loans made pursuant to this Section. For the  
7 purpose of obtaining capital for deposit into the Water  
8 Revolving Fund, the Agency may also enter into agreements with  
9 financial institutions and other persons for the purpose of  
10 selling loans and developing a secondary market for such  
11 loans. The Agency shall have the power to create and establish  
12 such reserve funds and accounts as may be necessary or  
13 desirable to accomplish its purposes under this subsection and  
14 to allocate its available moneys into such funds and accounts.  
15 Investment earnings on moneys held in the Water Revolving  
16 Fund, including any reserve fund or pledged fund, shall be  
17 deposited into the Water Revolving Fund.

18 (g) Beginning on the effective date of this amendatory Act  
19 of the 101st General Assembly, and running for a period of 5  
20 years after that date, the Agency shall prioritize within its  
21 annual intended use plan the usage of a portion of the Agency's  
22 capitalization grant for federally authorized set-aside  
23 activities. The prioritization is for the purpose of  
24 supporting disadvantaged communities and utilities throughout  
25 Illinois in building their capacity for sustainable and  
26 equitable water management. This may include, but is not

1 limited to, assistance for water rate studies, preliminary  
2 engineering or other facility planning, training activities,  
3 asset management plans, assistance with identification and  
4 replacement of lead service lines, and studies of efficiency  
5 measures through utility regionalization or other  
6 collaborative intergovernmental approaches.

7 (Source: P.A. 101-143, eff. 1-1-20.)

8 Section 99. Effective date. This Act takes effect upon  
9 becoming law.