**Section 120.40 Eligible Uses of Grant Funds**

a) The grant amount may be used for capital facilities consisting of buildings, structures, durable equipment and land at the new electric generating facility.

b) Funding for the Coal Revival Program is derived from the sale of general obligation bonds issued by the State of Illinois. This funding source imposes limits on the use of program funds. When authorized, general obligation bonds will be sold in increments and grants awarded to successful applicants upon certification by the Governor's Office of Management and Budget that the State portion of the projected tax receipts will equal or exceed 110% of the maximum annual debt service over the 25-year life of the bonds. State sales taxes from coal used by new plants will be set aside and transferred to the general obligation bond retirement and interest fund to retire these bonds.

(Source: Amended at 29 Ill. Reg. 1195, effective January 5, 2005)