



Rep. Michael Halpin

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LRB100 18091 AWJ 39958 a

1 AMENDMENT TO SENATE BILL 2589

2 AMENDMENT NO. _____. Amend Senate Bill 2589 on page 7,
3 line 19, by replacing "security" with "security. A local
4 government security purchased or otherwise acquired by the
5 Authority is not a moral obligation of the State or any State
6 agency or political subdivision of the State"; and

7 on page 23, line 21, by replacing "security" with "security. A
8 local government security purchased or otherwise acquired by
9 the Authority is not a moral obligation of the State or any
10 State agency or political subdivision of the State"; and

11 on page 48, line 6, after the period, by inserting "A local
12 government security purchased or otherwise acquired by the
13 Authority is not a moral obligation of the State or any State
14 agency or political subdivision of the State."; and

15 on page 61, line 2, by replacing "security" with "security. A

1 local government security purchased or otherwise acquired by
2 the Authority is not a moral obligation of the State or any
3 State agency or political subdivision of the State"; and

4 on page 75, line 18, by replacing "security" with "security. A
5 local government security purchased or otherwise acquired by
6 the Authority is not a moral obligation of the State or any
7 State agency or political subdivision of the State"; and

8 on page 81, line 4, after "5," by inserting "7,"; and

9 on page 85, immediately below line 18, by inserting the
10 following:

11 "(70 ILCS 520/7) (from Ch. 85, par. 6157)

12 Sec. 7. (a) The Authority, with the written approval of the
13 Governor, shall have the continuing power to issue bonds,
14 notes, or other evidences of indebtedness for the purpose of
15 developing, constructing, acquiring or improving projects,
16 including without limitation those established by business
17 entities locating or expanding property within the territorial
18 jurisdiction of the Authority, for entering into venture
19 capital agreements with businesses locating or expanding
20 within the territorial jurisdiction of the Authority, for
21 acquiring and improving any property necessary and useful in
22 connection therewith, for the purposes of the Employee

1 Ownership Assistance Act, and any local government projects.
2 With respect to any local government project, the Authority is
3 authorized to purchase from time to time pursuant to negotiated
4 sale or to otherwise acquire from time to time any local
5 government security upon terms and conditions as the Authority
6 may prescribe in connection therewith. A local government
7 security purchased or otherwise acquired by the Authority on or
8 after the effective date of this amendatory Act of the 100th
9 General Assembly is not a moral obligation of the State or any
10 State agency or political subdivision of the State. For the
11 purpose of evidencing the obligations of the Authority to repay
12 any money borrowed for any project, the Authority may, pursuant
13 to resolution, from time to time issue and dispose of its
14 interest bearing revenue bonds, notes or other evidences of
15 indebtedness and may also from time to time issue and dispose
16 of such bonds, notes or other evidences of indebtedness to
17 refund, at maturity, at a redemption date or in advance of
18 either, any bonds, notes or other evidences of indebtedness
19 pursuant to redemption provisions or at any time before
20 maturity. All such bonds, notes or other evidences of
21 indebtedness shall be payable solely and only from the revenues
22 or income to be derived from loans made with respect to
23 projects, from the leasing or sale of the projects or from any
24 other funds available to the Authority for such purposes. The
25 bonds, notes or other evidences of indebtedness may bear such
26 date or dates, may mature at such time or times not exceeding

1 40 years from their respective dates, notwithstanding any other
2 law to the contrary may bear interest at such rate or rates
3 payable annually, semi-annually, quarterly or monthly, may be
4 in such form, may carry such registration privileges, may be
5 executed in such manner, may be payable at such place or
6 places, may be made subject to redemption in such manner and
7 upon such terms, with or without premium as is stated on the
8 face thereof, may be authenticated in such manner and may
9 contain such terms and covenants as may be provided by an
10 applicable resolution.

11 (b) (1) The holder or holders of any bonds, notes or other
12 evidences of indebtedness issued by the Authority may bring
13 suits at law or proceedings in equity to compel the
14 performance and observance by any corporation or person or
15 by the Authority or any of its agents or employees of any
16 contract or covenant made with the holders of such bonds,
17 notes or other evidences of indebtedness, to compel such
18 corporation, person, the Authority and any of its agents or
19 employees to perform any duties required to be performed
20 for the benefit of the holders of any such bonds, notes or
21 other evidences of indebtedness by the provision of the
22 resolution authorizing their issuance and to enjoin such
23 corporation, person, the Authority and any of its agents or
24 employees from taking any action in conflict with any such
25 contract or covenant.

26 (2) If the Authority fails to pay the principal of or

1 interest on any of the bonds or premium, if any, as the
2 same become due, a civil action to compel payment may be
3 instituted in the appropriate circuit court by the holder
4 or holders of the bonds on which such default of payment
5 exists or by an indenture trustee acting on behalf of such
6 holders. Delivery of a summons and a copy of the complaint
7 to the Chairman of the Board shall constitute sufficient
8 service to give the circuit court jurisdiction of the
9 subject matter of such a suit and jurisdiction over the
10 Authority and its officers named as defendants for the
11 purpose of compelling such payment. Any case, controversy
12 or cause of action concerning the validity of this Act
13 relates to the revenue of the State of Illinois.

14 (c) Notwithstanding the form and tenor of any such bonds,
15 notes or other evidences of indebtedness and in the absence of
16 any express recital on the face thereof that it is
17 non-negotiable, all such bonds, notes and other evidences of
18 indebtedness shall be negotiable instruments. Pending the
19 preparation and execution of any such bonds, notes or other
20 evidences of indebtedness, temporary bonds, notes or evidences
21 of indebtedness may be issued as provided by ordinance.

22 (d) To secure the payment of any or all of such bonds,
23 notes or other evidences of indebtedness, the revenues to be
24 received by the Authority from a lease agreement or loan
25 agreement shall be pledged, and, for the purpose of setting
26 forth the covenants and undertakings of the Authority in

1 connection with the issuance thereof and the issuance of any
2 additional bonds, notes or other evidences of indebtedness
3 payable from such revenues, income or other funds to be derived
4 from projects, the Authority may execute and deliver a mortgage
5 or trust agreement. A remedy for any breach or default of the
6 terms of any such mortgage or trust agreement by the Authority
7 may be by mandamus proceedings in the appropriate circuit court
8 to compel the performance and compliance therewith, but the
9 trust agreement may prescribe by whom or on whose behalf such
10 action may be instituted.

11 (e) Such bonds or notes shall be secured as provided in the
12 authorizing ordinance which may, notwithstanding any other
13 provision of this Act, include in addition to any other
14 security a specific pledge or assignment of and lien on or
15 security interest in any or all revenues or money of the
16 Authority from whatever source which may by law be used for
17 debt service purposes and a specific pledge or assignment of
18 and lien on or security interest in any funds or accounts
19 established or provided for by ordinance of the Authority
20 authorizing the issuance of such bonds or notes and, with
21 respect to any local government project, may include without
22 limitation a pledge of any local government securities,
23 including any payments thereon.

24 (f) In the event that the Authority determines that monies
25 of the Authority will not be sufficient for the payment of the
26 principal of and interest on its bonds during the next State

1 fiscal year, the Chairman, as soon as practicable, shall
2 certify to the Governor the amount required by the Authority to
3 enable it to pay such principal of and interest on the bonds.
4 The Governor shall submit the amount so certified to the
5 General Assembly as soon as practicable, but no later than the
6 end of the current State fiscal year. This subsection shall not
7 apply to any bonds or notes as to which the Authority shall
8 have determined, in the resolution authorizing the issuance of
9 the bonds or notes, that this subsection shall not apply.
10 Whenever the Authority makes such a determination, that fact
11 shall be plainly stated on the face of the bonds or notes, and
12 that fact shall also be reported to the Governor.

13 In the event of a withdrawal of moneys from a reserve fund
14 established with respect to any issue or issues of bonds of the
15 Authority to pay principal or interest on those bonds, the
16 Chairman of the Authority, as soon as practicable, shall
17 certify to the Governor the amount required to restore the
18 reserve fund to the level required in the resolution or
19 indenture securing those bonds. The Governor shall submit the
20 amount so certified to the General Assembly as soon as
21 practicable, but no later than the end of the current State
22 fiscal year.

23 (g) The State of Illinois pledges to and agrees with the
24 holders of the bonds and notes of the Authority issued pursuant
25 to this Section that the State will not limit or alter the
26 rights and powers vested in the Authority by this Act so as to

1 impair the terms of any contract made by the Authority with
2 such holders or in any way impair the rights and remedies of
3 such holders until such bonds and notes, together with interest
4 thereon, with interest on any unpaid installments of interest,
5 and all costs and expenses in connection with any action or
6 proceedings by or on behalf of such holders, are fully met and
7 discharged. In addition, the State pledges to and agrees with
8 the holders of the bonds and notes of the Authority issued
9 pursuant to this Section that the State will not limit or alter
10 the basis on which State funds are to be paid to the Authority
11 as provided in this Act, or the use of such funds, so as to
12 impair the terms of any such contract. The Authority is
13 authorized to include these pledges and agreements of the State
14 in any contract with the holders of bonds or notes issued under
15 this Section.

16 (Source: P.A. 86-1455; 87-778.)"; and

17 on page 95, line 15, by replacing "security" with "security. A
18 local government security purchased or otherwise acquired by
19 the Authority is not a moral obligation of the State or any
20 State agency or political subdivision of the State"; and

21 on page 114, line 15, by replacing "security" with "security. A
22 local government security purchased or otherwise acquired by
23 the Authority is not a moral obligation of the State or any
24 State agency or political subdivision of the State"; and

1 on page 128, line 6, by replacing "security" with "security. A
2 local government security purchased or otherwise acquired by
3 the Authority is not a moral obligation of the State or any
4 State agency or political subdivision of the State"; and

5 on page 142, line 8, by replacing "security" with "security. A
6 local government security purchased or otherwise acquired by
7 the Authority is not a moral obligation of the State or any
8 State agency or political subdivision of the State".