

1 AN ACT concerning education.

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

4 Section 5. The State Finance Act is amended by changing
5 Section 6a-6 as follows:

6 (30 ILCS 105/6a-6) (from Ch. 127, par. 142a6)

7 Sec. 6a-6. (1) Unless otherwise provided for in this
8 Section, all items of income received by the Illinois
9 Mathematics and Science Academy shall be deposited in a local
10 clearing account paid into the State Treasury without delay
11 and not later than 10 days after the receipt of such items of
12 income. All such moneys shall be paid into a special fund in
13 the State Treasury to be known as the "IMSA Income Fund". The
14 General Assembly shall from time to time make appropriations
15 payable from the IMSA Income Fund for the support and
16 improvement of the academy.

17 (2) The following items of income shall be retained by the
18 Illinois Mathematics and Science Academy in its own treasury:
19 endowment funds, gifts, and trust funds; alumni dues and
20 contributions; funds of any alumni association or
21 organization, or any foundation related to the Academy; monies
22 of the IMSA Fund for the Advancement of Education; funds
23 received in connection with the retention, receipt,

1 assignment, license, sale or transfer of interests in, rights
2 to, or income from discoveries, inventions, patents, or
3 copyrightable works; laboratory fees, fees for testing;
4 supplementary food service fees received for payment to a food
5 service vendor; refundable deposits; funds received from
6 student or staff health programs; and moneys received for
7 student athletics or student activities.

8 The Academy may also retain in its own treasury all moneys
9 received from the sale of any debt obligations, including
10 bonds issued under the provisions of the Illinois Mathematics
11 and Science Academy Law, and any tuition, fee, and room and
12 board revenue pledged to the payment of such obligations or
13 necessary to meet any financial covenants related thereto or,
14 as determined by the Board of Trustees of the Academy,
15 necessary to pay such obligations or for the support and
16 improvement of the Academy.

17 Whenever such funds retained by the Academy in its own
18 treasury or held in a local clearing account are deposited
19 with a bank or savings and loan association and the amount of
20 the deposit exceeds the amount of federal deposit insurance
21 coverage, a bond or pledged securities shall be obtained. Only
22 the types of securities which the State treasurer may, in his
23 discretion, accept for amounts not insured by the Federal
24 Deposit Insurance Corporation or the Federal Savings and Loan
25 Insurance Corporation under Section 11 of "An Act in relation
26 to State moneys", approved June 28, 1919, as amended, may be

1 accepted as pledged securities. The market value of the bond
2 or pledged securities shall at all times be equal to or greater
3 than the uninsured portion of the deposit.

4 (3) For purposes of implementing this Amendatory act of
5 1989, the Academy is authorized to transfer monies held in its
6 treasury at the time of the effective date of this Act into the
7 IMSA Income Fund in the State Treasury.

8 (4) The IMSA Special Purposes Trust Fund, held outside the
9 State Treasury by the State Treasurer as ex officio custodian,
10 shall receive the following items of income: federal aid and
11 funds received in connection with contracts with governmental,
12 public or private agencies or persons. Disbursements from this
13 fund shall be by warrants drawn by the State Comptroller on
14 receipt of vouchers duly executed and certified by the
15 Illinois Mathematics and Science Academy.

16 All federal monies received as reimbursement for
17 expenditures from the General Revenue Fund and that were made
18 for the purposes authorized for expenditures from the IMSA
19 Special Purposes Trust Fund shall be deposited by the Academy
20 into the General Revenue Fund.

21 For purposes of implementing this amendatory Act of 1991,
22 the Academy is authorized to transfer monies held in the IMSA
23 Income Fund on the effective date of this amendatory Act of
24 1991 into the IMSA Special Purposes Trust Fund; provided,
25 monies so transferred shall not exceed the amount that would
26 be in the IMSA Special Purposes Trust Fund had such Fund been

1 in existence when the monies were received.

2 (Source: P.A. 86-109; 87-142.)

3 Section 10. The Bond Authorization Act is amended by
4 changing Section 1 as follows:

5 (30 ILCS 305/1) (from Ch. 17, par. 6601)

6 Sec. 1. (a) As used in this Act, "public corporations"
7 mean any body corporate organized by or pursuant to the laws of
8 this State to carry out a public governmental or proprietary
9 function, including, without limitation of the foregoing, the
10 State ~~state~~, the Illinois Mathematics and Science Academy, or
11 any school district, park district, city, village,
12 incorporated town, county, drainage or any other type of
13 district, commission, authority, university, or public
14 community college, or any combination thereof, acting through
15 the corporate authorities thereof.

16 (b) "Bonds" or "other evidences of indebtedness" mean any
17 instrument providing for the payment of money executed by or
18 on behalf of a public corporation or which the public
19 corporation has assumed or agreed to pay, including, without
20 limitation of the foregoing, bonds, notes, contracts, leases,
21 certificates and tax anticipation warrants.

22 (Source: P.A. 82-622.)

23 Section 15. The Illinois Mathematics and Science Academy

1 Law is amended by adding Section 4.5 as follows:

2 (105 ILCS 305/4.5 new)

3 Sec. 4.5. Revenue bond financing for facilities.

4 (a) The Board of Trustees is authorized to borrow money
5 and issue and sell bonds in such amount, at such price, and
6 redeemable prior to maturity with or without premium as the
7 Board may determine for the purpose of acquiring, purchasing,
8 completing, building, constructing, reconstructing,
9 enlarging, improving, extending, or equipping buildings,
10 structures, and facilities that, as determined by the Board,
11 are required by or are necessary for the use or benefit of the
12 Academy, including, without limiting the generality of the
13 foregoing, school classrooms, science labs, or other
14 instructional spaces; dormitories and student residence halls;
15 apartments; staff housing facilities; facilities for student,
16 staff, or administrative services; cafeteria and other food
17 service areas; auditoriums; gymnasiums, field houses,
18 stadiums, and other athletic facilities; and parking
19 facilities and including the acquisition and improvement of a
20 site or sites therefor. These bonds shall be payable only from
21 tuition, fee, and room and board revenue and, if authorized by
22 the Board, from other funds authorized by law to be used for
23 such purpose and applied as a supplement to that revenue. The
24 bonds shall be secured by a pledge of these revenues. The bonds
25 may be issued in one or more series, and may bear such date or

1 dates, may be in such denomination or denominations, may
2 mature at such time or times not exceeding 40 years from the
3 respective dates thereof, may mature in such amount or
4 amounts, and may bear interest at such rate or rates,
5 including variable rates, not exceeding the maximum rate
6 authorized by the Bond Authorization Act at the time of the
7 making of the contract for the sale of the bonds.

8 All bonds issued under the provisions of this Section
9 shall be obligations of the Academy payable only in accordance
10 with the terms thereof and shall not be obligations, general,
11 special, or otherwise, of the State of Illinois. Such bonds
12 shall not constitute a debt, legal or moral, of the State of
13 Illinois and shall not be enforceable against the State of
14 Illinois.

15 (b) The Board shall have the power from time to time to
16 execute and deliver trust agreements under this Section to a
17 bank or trust company authorized by the laws of this State or
18 the United States of America to accept and execute trusts in
19 this State. These trust agreements may contain any provision
20 for the deposit with the trustee and the disposition of the
21 proceeds of the bonds issued under the provisions of this
22 Section and secured thereby, provisions for the protection and
23 the enforcement of the rights and remedies of the trustee and
24 the holders of such bonds as the Board may approve, and
25 provision for the direct payment to or deposit with the
26 trustee of any revenues pledged to the payment of bonds issued

1 under the provisions of this Section.

2 (c) Bonds issued under the provisions of this Section
3 shall be signed by the chair of the Board and shall be attested
4 by the Director of the Academy, and if the official who signed
5 or attested the bonds or whose facsimile appears on the bonds
6 ceases to be such an official before the bonds have been issued
7 by the Academy, the bonds may nevertheless be validly issued
8 by the Academy.

9 (d) Upon the determination by the Board to undertake one
10 or more projects set forth in subsection (a), the Board shall
11 adopt a resolution or resolutions describing in a general way
12 the contemplated facility or facilities designated as the
13 project or projects and the estimated cost thereof. The amount
14 of bonds, the maturity or maturities, the interest rate, and
15 all details in respect thereof shall be set forth in the
16 resolution or resolutions or in a related trust agreement
17 authorized in subsection (b). The resolution or resolutions or
18 related trust agreement shall contain such covenants with
19 respect to the creation of reserves or accounts and any
20 restrictions upon the issuance of additional bonds that may
21 thereafter be issued payable from tuition, fee, and room and
22 board revenue and, if authorized by the Board, from other
23 funds authorized by law to be used for such purpose and applied
24 as a supplement to that revenue as may be deemed necessary or
25 advisable for the assurance and payment of the bonds thereby
26 authorized, and the resolution or resolutions or related trust

1 agreement shall provide for the payment of the principal of
2 and interest on the bonds and the creation of any reserves or
3 accounts established by the resolution or resolutions.

4 (e) Whenever bonds are issued under the provisions of this
5 Section, it shall be the duty of the Board to establish
6 tuition, fee, and room and board revenue (i) sufficient at all
7 times to pay the principal of and interest on the bonds and to
8 meet any related financial covenants or (ii) sufficient at all
9 times, if added to other funds authorized and allocated for
10 such purpose, to pay such principal and interest and meet such
11 financial covenants.

12 (f) The Board may refund and refinance bonds issued under
13 the provisions of this Section from time to time and to this
14 end may authorize and issue refunding bonds whenever the Board
15 determines that it is in the best interests of the Academy to
16 do so. The proceeds derived from the sale of any such refunding
17 bonds shall be applied either to the payment or redemption and
18 retirement of the bonds to be refunded, or, if such bonds are
19 not then subject to payment or redemption, all proceeds
20 received at the sale thereof shall be invested in direct
21 obligations of or obligations the principal of and interest on
22 which are fully guaranteed by the United States of America, so
23 long as such investments mature at such time, with interest
24 thereon or profit therefrom, to provide funds adequate to pay,
25 when due or called for redemption prior to maturity, the bonds
26 to be refunded, together with the interest accrued thereon and

1 any redemption premium due thereon. Such proceeds or
2 obligations of the United States of America shall, with all
3 other funds legally available for such purpose, be deposited
4 in escrow with any bank or trust company doing business in this
5 State with power to accept and execute trusts, to be held in an
6 irrevocable trust for the payment at maturity or redemption of
7 the bonds refunded and accrued interest and the applicable
8 premiums, if any, if the bonds are redeemable prior to
9 maturity or upon earlier voluntary surrender with the consent
10 of the holder thereof. Any balance remaining in such escrow
11 after the payment and retirement of the bonds to be refunded
12 shall be returned to the Academy, to be used as revenues
13 pledged for the payment of the refunding bonds. All of the
14 provisions of this Section, including covenants that may be
15 entered into in connection with the issuance of bonds, shall
16 be applicable to the authorization and issuance of any
17 refunding bonds.

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.