

1 AN ACT concerning coal.

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

4 Section 1. Short title. This Act may be cited as the
5 Illinois Coal Mining and Electric Generation Act.

6 Section 5. Findings. The General Assembly finds that:

7 (1) Illinois coal is an abundant resource and an
8 important component of Illinois' economy whose use should be
9 encouraged to the greatest extent possible consistent with
10 protecting human health and the environment.

11 (2) The development of energy policies to promote a
12 safe, sufficient, reliable, and affordable energy supply on
13 the State and national level is being affected by the
14 on-going deregulation of the power generation industry and
15 the evolving energy markets.

16 (3) The Governor's formation of an Energy Cabinet and
17 the development of a State energy policy indicates the need
18 for increased generation capacity to meet future needs for
19 electricity.

20 (4) Efforts on the State and federal levels are underway
21 to consider the multiple environmental regulations affecting
22 electric generating plants in order to improve the ability of
23 government and the affected industry to engage in effective
24 planning.

25 Section 10. Definitions. For the purposes of this Act:

26 "New electric generating facility" means a new coal
27 burning electricity generating facility as defined in Section
28 605-332 of the Department of Commerce and Community Affairs
29 Law of the Civil Administrative Code of Illinois.

1 Section 15. Purpose. It is the policy of the State to
2 encourage increased electric generation capacity to meet the
3 future needs for electricity in Illinois. To further that
4 goal this Act provides partial financing for the construction
5 of new electric generating facilities in Illinois.

6 Section 905. The Energy Conservation and Coal
7 Development Act is amended by changing Section 8 as follows:

8 (20 ILCS 1105/8) (from Ch. 96 1/2, par. 7408)

9 Sec. 8. Illinois Coal Development Board.

10 (a) There shall be established as an advisory board to
11 the Department, the Illinois Coal Development Board,
12 hereinafter in this Section called the Board. The Board
13 shall be composed of the following voting members: the
14 Director of the Department, who shall be Chairman thereof;
15 the Deputy Director of the Bureau of Business Development
16 within the Department of Commerce and Community Affairs; the
17 Director of Natural Resources or that Director's designee;
18 the Director of the Office of Mines and Minerals within the
19 Department of Natural Resources; 4 members of the General
20 Assembly (one each appointed by the President of the Senate,
21 the Senate Minority Leader, the Speaker of the House, and the
22 House Minority Leader); and 8 persons appointed by the
23 Governor, with the advice and consent of the Senate,
24 including representatives of Illinois industries that are
25 involved in the extraction, utilization or transportation of
26 Illinois coal, persons representing financial or banking
27 interests in the State, and persons experienced in
28 international business and economic development. These
29 members shall be chosen from persons of recognized ability
30 and experience in their designated field. The members
31 appointed by the Governor shall serve for terms of 4 years,
32 unless otherwise provided in this subsection. The initial

1 terms of the original appointees shall expire on July 1,
2 1985, except that the Governor shall designate 3 of the
3 original appointees to serve initial terms that shall expire
4 on July 1, 1983. The initial term of the member appointed by
5 the Governor to fill the office created after July 1, 1985
6 shall expire on July 1, 1989. The initial terms of the
7 members appointed by the Governor to fill the offices created
8 by this amendatory Act of 1993 shall expire on July 1, 1995,
9 and July 1, 1997, as determined by the Governor. A member
10 appointed by a Legislative Leader shall serve for the
11 duration of the General Assembly for which he or she is
12 appointed, so long as the member remains a member of that
13 General Assembly.

14 The Board shall meet at least annually or at the call of
15 the Chairman. At any time the majority of the Board may
16 petition the Chairman for a meeting of the Board. Nine
17 members of the Board shall constitute a quorum. Members of
18 the Board shall be reimbursed for actual and necessary
19 expenses incurred while performing their duties as members of
20 the Board from funds appropriated to the Department for such
21 purpose.

22 (b) The Board shall provide advice and make
23 recommendations on the following Department powers and
24 duties:

25 (1) To develop an annual agenda which may include
26 but is not limited to research and methodologies
27 conducted for the purpose of increasing the utilization
28 of Illinois' coal and other fossil fuel resources, with
29 emphasis on high sulfur coal, in the following areas:
30 coal extraction, preparation and characterization; coal
31 technologies (combustion, gasification, liquefaction, and
32 related processes); marketing; public awareness and
33 education, as those terms are used in the Illinois Coal
34 Technology Development Assistance Act; transportation;

1 procurement of sites and issuance of permits; and
2 environmental impacts.

3 (2) To support and coordinate Illinois coal
4 research, and to approve projects consistent with the
5 annual agenda and budget for coal research and the
6 purposes of this Act and to approve the annual budget and
7 operating plan for administration of the Board.

8 (3) To promote the coordination of available
9 research information on the production, preparation,
10 distribution and uses of Illinois coal. The Board shall
11 advise the existing research institutions within the
12 State on areas where research may be necessary.

13 (4) To cooperate to the fullest extent possible
14 with State and federal agencies and departments,
15 independent organizations, and other interested groups,
16 public and private, for the purposes of promoting
17 Illinois coal resources.

18 (5) To submit an annual report to the Governor and
19 the General Assembly outlining the progress and
20 accomplishments made in the year, providing an accounting
21 of funds received and disbursed, reviewing the status of
22 research contracts, and furnishing other relevant
23 information.

24 (6) To focus on existing coal research efforts in
25 carrying out its mission; to make use of existing
26 research facilities in Illinois or other institutions
27 carrying out research on Illinois coal; as far as
28 practicable, to make maximum use of the research
29 facilities available at the Illinois State Geological
30 Survey, the Coal Extraction and Utilization Research
31 Center, the Illinois Coal Development Park and
32 universities and colleges located within the State of
33 Illinois; and to create a consortium or center which
34 conducts, coordinates and supports coal research

1 activities in the State of Illinois. Programmatic
2 activities of such a consortium or center shall be
3 subject to approval by the Department and shall be
4 consistent with the purposes of this Act. The Department
5 may authorize expenditure of funds in support of the
6 administrative and programmatic operations of such a
7 center or consortium consistent with its statutory
8 authority. Administrative actions undertaken by or for
9 such a center or consortium shall be subject to the
10 approval of the Department.

11 (7) To make a reasonable attempt, before initiating
12 any research under this Act, to avoid duplication of
13 effort and expense by coordinating the research efforts
14 among various agencies, departments, universities or
15 organizations, as the case may be.

16 (8) To adopt, amend and repeal rules, regulations
17 and bylaws governing the Board's organization and conduct
18 of business.

19 (9) To authorize the expenditure of monies from the
20 Coal Technology Development Assistance Fund, the Public
21 Utility Fund and other funds in the State Treasury
22 appropriated to the Department, consistent with the
23 purposes of this Act.

24 (10) To seek, accept, and expend gifts or grants in
25 any form, from any public agency or from any other
26 source. Such gifts and grants may be held in trust by
27 the Department and expended at the direction of the
28 Department and in the exercise of the Department's powers
29 and performance of the Department's duties.

30 (11) To publish, from time to time, the results of
31 Illinois coal research projects funded through the
32 Department.

33 (12) To authorize loans from appropriations from
34 the Build Illinois Bond Purposes Fund, the Build Illinois

1 Bond Fund and the Illinois Industrial Coal Utilization
2 Fund.

3 (13) To authorize expenditures of monies for coal
4 development projects under the authority of Section 13 of
5 the General Obligation Bond Act.

6 (c) The Board shall also provide advice and make
7 recommendations on the following Department powers and
8 duties:

9 (1) To create and maintain thorough, current and
10 accurate records on all markets for and actual uses of
11 coal mined in Illinois, and to make such records
12 available to the public upon request.

13 (2) To identify all current and anticipated future
14 technical, economic, institutional, market,
15 environmental, regulatory and other impediments to the
16 utilization of Illinois coal.

17 (3) To monitor and evaluate all proposals and plans
18 of public utilities related to compliance with the
19 requirements of Title IV of the federal Clean Air Act
20 Amendments of 1990, or with any other law which might
21 affect the use of Illinois coal, for the purposes of (i)
22 determining the effects of such proposals or plans on the
23 use of Illinois coal, and (ii) identifying alternative
24 plans or actions which would maintain or increase the use
25 of Illinois coal.

26 (4) To develop strategies and to propose policies
27 to promote environmentally responsible uses of Illinois
28 coal for meeting electric power supply requirements,
29 including new power generation, and for other purposes.

30 (5) (Blank).

31 (Source: P.A. 89-445, eff. 2-7-96; 90-348, eff. 1-1-98;
32 90-454, eff. 8-16-97.)

33 Section 910. The Illinois Coal and Energy Development

1 Bond Act is amended by changing Section 2 as follows:

2 (20 ILCS 1110/2) (from Ch. 96 1/2, par. 4102)

3 Sec. 2. As used in this Act, "coal" or "coal resources"
4 include coal, coal products or by-products, including the
5 generation of electricity and synthetic fuels. "Development
6 of fossil fuels and coal resources" includes research,
7 development, and demonstration of improved methods of
8 discovery, production, transportation, sale, distribution,
9 conversion, utilization, end-use and waste disposal of fossil
10 fuels and coal resources. "Development of alternative forms
11 of energy" includes research, development and demonstration
12 for the purposes of promoting the adoption and utilization of
13 energy systems, including but not limited to solar heating
14 and cooling, solar passive, photovoltaic, wind,
15 bioconversion, geothermal, hydroelectric, re-use of waste
16 energy, re-use of waste materials, and any other energy
17 system except that which is generated by nuclear energy.
18 "Fossil fuels" include petroleum, petroleum by-products and
19 natural gas.

20 (Source: P.A. 84-1452.)

21 Section 915. The General Obligation Bond Act is amended
22 by changing Sections 2, 7, and 13 as follows:

23 (30 ILCS 330/2) (from Ch. 127, par. 652)

24 Sec. 2. Authorization for Bonds. The State of Illinois
25 is authorized to issue, sell and provide for the retirement
26 of General Obligation Bonds of the State of Illinois for the
27 categories and specific purposes expressed in Sections 2
28 through 8 of this Act, in the total amount of \$18,158,149,369
29 ~~\$17,658,149,369~~ ~~\$16,908,149,369~~ ~~\$16,015,007,500~~.

30 The bonds authorized in this Section 2 and in Section 16
31 of this Act are herein called "Bonds".

1 Of the total amount of Bonds authorized in this Act, up
2 to \$2,200,000,000 in aggregate original principal amount may
3 be issued and sold in accordance with the Baccalaureate
4 Savings Act in the form of General Obligation College Savings
5 Bonds.

6 Of the total amount of Bonds authorized in this Act, up
7 to \$300,000,000 in aggregate original principal amount may be
8 issued and sold in accordance with the Retirement Savings Act
9 in the form of General Obligation Retirement Savings Bonds.

10 The issuance and sale of Bonds pursuant to the General
11 Obligation Bond Act is an economical and efficient method of
12 financing the capital and general operating needs of the
13 State. This Act will permit the issuance of a multi-purpose
14 General Obligation Bond with uniform terms and features.
15 This will not only lower the cost of registration but also
16 reduce the overall cost of issuing debt by improving the
17 marketability of Illinois General Obligation Bonds.

18 (Source: P.A. 91-39, eff. 6-15-99; 91-53, eff. 6-30-99;
19 91-710, eff. 5-17-00; 92-13, eff. 6-22-01; 92-596, eff.
20 6-28-02; 92-598, eff. 6-28-02; revised 10-8-02.)

21 (30 ILCS 330/7) (from Ch. 127, par. 657)

22 Sec. 7. Coal and Energy Development. The amount of
23 \$1,163,200,000 ~~\$663,200,000~~ is authorized to be used by the
24 Department of Commerce and Community Affairs for coal and
25 energy development purposes, pursuant to Sections 2, 3 and
26 3.1 of the Illinois Coal and Energy Development Bond Act, for
27 the purposes specified in Section 8.1 of the Energy
28 Conservation and Coal Development Act, and for the purposes
29 specified in Section 605-332 of the Department of Commerce
30 and Community Affairs of the Civil Administrative Code of
31 Illinois. Of this amount:

32 (a) \$115,000,000 is for the specific purposes of
33 acquisition, development, construction, reconstruction,

1 improvement, financing, architectural and technical planning
 2 and installation of capital facilities consisting of
 3 buildings, structures, durable equipment, and land for the
 4 purpose of capital development of coal resources within the
 5 State and for the purposes specified in Section 8.1 of the
 6 Energy Conservation and Coal Development Act;

7 (b) \$35,000,000 is for the purposes specified in Section
 8 8.1 of the Energy Conservation and Coal Development Act and
 9 making a grant to the owner of a generating station located
 10 in Illinois and having at least three coal-fired generating
 11 units with accredited summer capability greater than 500
 12 megawatts each at such generating station as provided in
 13 Section 6 of that Bond Act;

14 (c) \$13,200,000 is for research, development and
 15 demonstration of forms of energy other than that derived from
 16 coal, either on or off State property; and

17 (d) \$500,000,000 is for the purpose of providing
 18 financial assistance to new electric generating facilities as
 19 provided in Section 605-332 of the Department of Commerce and
 20 Community Affairs Law of the Civil Administrative Code of
 21 Illinois; and

22 (e) \$500,000,000 is for the specific purpose of
 23 partially financing new coal burning electric generating
 24 facility projects, as provided in the Illinois Coal Mining
 25 and Electric Generation Act, that use Illinois coal and are
 26 sited adjacent to Illinois coal mines; the project may
 27 include the cost of transmission facilities and the costs of
 28 coal handling; the Department may consider stockpiled air
 29 emission credits as a factor in funding new generating
 30 facilities.

31 (Source: P.A. 92-13, eff. 6-22-01.)

32 (30 ILCS 330/13) (from Ch. 127, par. 663)

33 Sec. 13. Appropriation of Proceeds from Sale of Bonds.

1 (a) At all times, the proceeds from the sale of Bonds
2 issued pursuant to this Act are subject to appropriation by
3 the General Assembly and may be obligated or expended only
4 with the written approval of the Governor, in such amounts,
5 at such times, and for such purposes as the respective State
6 agencies, as defined in Section 1-7 of the Illinois State
7 Auditing Act, as amended, deem necessary or desirable for the
8 specific purposes contemplated in Sections 2 through 8 of
9 this Act.

10 (b) Proceeds from the sale of Bonds for the purpose of
11 development of coal and alternative forms of energy shall be
12 expended in such amounts and at such times as the Department
13 of Commerce and Community Affairs, with the advice and
14 recommendation of the Illinois Coal Development Board for
15 coal development projects, may deem necessary and desirable
16 for the specific purpose contemplated by Section 7 of this
17 Act. In considering the approval of projects to be funded,
18 the Department of Commerce and Community Affairs shall give
19 special consideration to projects designed to remove sulfur
20 and other pollutants in the preparation and utilization of
21 coal, and in the use and operation of new or existing
22 electric ~~utility~~ generating plants and industrial facilities
23 which utilize Illinois coal as their primary source of fuel.

24 (c) Any monies received by any officer or employee of
25 the state representing a reimbursement of expenditures
26 previously paid from general obligation bond proceeds shall
27 be deposited into the General Obligation Bond Retirement and
28 Interest Fund authorized in Section 14 of this Act.

29 (Source: P.A. 89-445, eff. 2-7-96; 90-348, eff. 1-1-98.)

30 Section 99. Effective date. This Act takes effect on
31 July 1, 2003.