



**93RD GENERAL ASSEMBLY**

**State of Illinois**

**2003 and 2004**

**SB2350**

Introduced 1/28/2004, by Patrick Welch

**SYNOPSIS AS INTRODUCED:**

New Act

30 ILCS 105/5.625 new

30 ILCS 330/2

from Ch. 127, par. 652

30 ILCS 330/6

from Ch. 127, par. 656

Creates the Clean Water Bond Act. Provides that, of the proceeds of the bonds issued under the General Obligation Bond Act for the purposes of the Clean Water Bond Act, \$35,000,000 shall be deposited into the Anti-Pollution Fund and, subject to appropriation, shall be transferred to the Clean Water Trust Fund and, subject to appropriation, be used by the Office of the Lieutenant Governor to fund the making of loans or grants to local government entities and not-for-profit organizations for projects concerning clean water. Amends the General Obligation Bond Act. Increases the amount of the authorization of State bonds from \$27,658,149,369 to \$27,693,149,369. Provides that the amount of \$35,000,000 is authorized for use by the Office of the Lieutenant Governor for the purposes of the Clean Water Bond Act. Effective immediately.

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FISCAL NOTE ACT  
MAY APPLY

STATE DEBT  
IMPACT NOTE ACT  
MAY APPLY

1 AN ACT concerning clean water.

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 Clean  
5 Water Bond Act.

6 Section 5. Findings. The General Assembly makes the  
7 following findings and determinations:

8 (1) There is a pressing need in the State to improve  
9 water quality through the making of loans or grants to  
10 local government entities and not-for-profit organizations  
11 for:

12 (A) financing, repairing, upgrading, and  
13 constructing wastewater facilities;

14 (B) planning, engineering, acquiring,  
15 constructing, and improving watershed, drainage, and  
16 flood control improvements, which includes expenses  
17 related to land and easement acquisition, relocation,  
18 control structures, channel work, and clearing and  
19 appurtenant work;

20 (C) the protection, preservation, restoration, and  
21 conservation of environmental and natural resources,  
22 including the making of grants to soil and water  
23 conservation districts for the planning and  
24 implementation of conservation practices and for  
25 funding contracts with the Soil Conservation Service  
26 for watershed planning and the provision of cost-  
27 sharing for the planning and implementation of  
28 conservation practices by farmers and landowners  
29 approved under federal programs of the United States  
30 Department of Agriculture;

31 (D) capital development and improvement of water  
32 projects, including planning and engineering costs,

1 and the acquisition of open space lands related to the  
2 improvement of water quality, including the  
3 acquisition of easements and other property interests  
4 of less than fee simple ownership;

5 (E) the acquisition and related costs and  
6 development and management of natural heritage lands,  
7 including natural areas and areas that provide habitat  
8 for endangered species and nongame wildlife, and  
9 buffer lands;

10 (F) the acquisition and related costs and the  
11 development and management of habitat lands, including  
12 forests, wildlife habitat, and wetlands; and

13 (G) the removal and disposition of hazardous  
14 substances, including the cost of project management,  
15 equipment, laboratory analysis, and contractual  
16 services necessary for preventative and corrective  
17 actions related to the preservation, restoration, and  
18 conservation of the environment.

19 (2) The issuance and sale of bonds under the General  
20 Obligation Bond Act is an economical and efficient method  
21 of financing the goals of this Act.

22 Section 7. Definitions. As used in this Act:

23 "Local government entity" means a school district, a  
24 municipality, a county, a township, a conservation district, a  
25 soil or water conservation district, a drainage district, a  
26 forest preserve district, a park district, a port district, a  
27 river conservancy district, a sanitary district, a solid waste  
28 disposal district, a surface water protection district, a  
29 public water district, a water service district, a water  
30 authority, a water commission, or any other entity defined as a  
31 "unit of local government" by Section 1 of Article VII of the  
32 Illinois Constitution.

33 "Not-for-profit organization" means an entity that is  
34 organized as a not-for-profit corporation under the laws of  
35 this State and of the United States.

1 Section 10. Proceeds of bonds.

2 (a) Of the proceeds of the bonds issued under the General  
3 Obligation Bond Act for the purposes of this Act, \$35,000,000  
4 shall be deposited into the Anti-Pollution Fund and, subject to  
5 appropriation, shall be transferred to the Clean Water Trust  
6 Fund, a special fund in the State treasury, and, subject to  
7 appropriation, used by the Office of the Lieutenant Governor to  
8 fund the making of loans or grants to local government entities  
9 and not-for-profit organizations for the following:

10 (1) the financing and construction of wastewater  
11 facilities;

12 (2) the planning, engineering, acquisition,  
13 construction, and improvement of watershed, drainage, and  
14 flood control improvements, which includes expenses  
15 related to land and easement acquisition, relocation,  
16 control structures, channel work, and clearing and  
17 appurtenant work;

18 (3) the protection, preservation, restoration, and  
19 conservation of environmental and natural resources,  
20 including the making of grants to soil and water  
21 conservation districts for the planning and implementation  
22 of conservation practices and for funding contracts with  
23 the Soil Conservation Service for watershed planning and  
24 the provision of cost-sharing for the planning and  
25 implementation of conservation practices by farmers and  
26 landowners approved under federal programs of the United  
27 States Department of Agriculture;

28 (4) the capital development and improvement of water  
29 projects, including planning and engineering costs, and  
30 the acquisition of open space lands related to the  
31 improvement of water quality, including the acquisition of  
32 easements and other property interests of less than fee  
33 simple ownership;

34 (5) the acquisition and related costs and development  
35 and management of natural heritage lands, including

1 natural areas and areas that provide habitat for endangered  
2 species and nongame wildlife, and buffer lands;

3 (6) the acquisition and related costs and the  
4 development and management of habitat lands, including  
5 forests, wildlife habitat, and wetlands; and

6 (7) the removal and disposition of hazardous  
7 substances, including the cost of project management,  
8 equipment, laboratory analysis, and contractual services  
9 necessary for preventative and corrective actions related  
10 to the preservation, restoration, and conservation of the  
11 environment.

12 (b) Moneys derived from the repayment of loans made under  
13 this Section shall be deposited into the Clean Water Trust Fund  
14 and, subject to appropriation, shall be used to fund new loans  
15 or grants under this Section or, if they cannot be so used,  
16 shall be transferred to the General Obligation Bond Retirement  
17 and Interest Fund and shall be applied to pay the principal of,  
18 interest on, or the redemption price of bonds payable from the  
19 General Obligation Bond Retirement and Interest Fund.

20 Section 15. Acceptance of grants, loans, and  
21 appropriations. The Office of the Lieutenant Governor may  
22 apply for and accept grants, loans, or appropriations from the  
23 federal government or any of its agencies or instrumentalities,  
24 the State or any of its agencies or instrumentalities, or any  
25 unit of local government to be used for any of the purposes of  
26 this Act. Additionally, the Office of the Lieutenant Governor  
27 may enter into any agreement with the federal or State  
28 government or any of their agencies or instrumentalities or  
29 with any unit of local government concerning these grants,  
30 loans, or appropriations.

31 Section 20. Grant criteria. The Office of the Lieutenant  
32 Governor shall establish eligibility criteria for grants under  
33 this Act.

1 Section 905. The State Finance Act is amended by adding  
2 Section 5.625 as follows:

3 (30 ILCS 105/5.625 new)

4 Sec. 5.625. The Clean Water Trust Fund.

5 Section 910. The General Obligation Bond Act is amended by  
6 changing Sections 2 and 6 as follows:

7 (30 ILCS 330/2) (from Ch. 127, par. 652)

8 Sec. 2. Authorization for Bonds. The State of Illinois is  
9 authorized to issue, sell and provide for the retirement of  
10 General Obligation Bonds of the State of Illinois for the  
11 categories and specific purposes expressed in Sections 2  
12 through 8 of this Act, in the total amount of \$27,693,149,369  
13 ~~\$27,658,149,369~~.

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

16 Of the total amount of Bonds authorized in this Act, up to  
17 \$2,200,000,000 in aggregate original principal amount may be  
18 issued and sold in accordance with the Baccalaureate Savings  
19 Act in the form of General Obligation College Savings Bonds.

20 Of the total amount of Bonds authorized in this Act, up to  
21 \$300,000,000 in aggregate original principal amount may be  
22 issued and sold in accordance with the Retirement Savings Act  
23 in the form of General Obligation Retirement Savings Bonds.

24 Of the total amount of Bonds authorized in this Act, the  
25 additional \$10,000,000,000 authorized by Public ~~this~~  
26 ~~amendatory~~ Act 93-2 ~~of the 93rd General Assembly~~ shall be used  
27 solely as provided in Section 7.2.

28 The issuance and sale of Bonds pursuant to the General  
29 Obligation Bond Act is an economical and efficient method of  
30 financing the capital and general operating needs of the State.  
31 This Act will permit the issuance of a multi-purpose General  
32 Obligation Bond with uniform terms and features. This will not  
33 only lower the cost of registration but also reduce the overall

1 cost of issuing debt by improving the marketability of Illinois  
2 General Obligation Bonds.

3 (Source: P.A. 92-13, eff. 6-22-01; 92-596, eff. 6-28-02;  
4 92-598, eff. 6-28-02; 93-2, eff. 4-7-03.)

5 (30 ILCS 330/6) (from Ch. 127, par. 656)  
6 Sec. 6. Anti-Pollution.

7 (a) The amount of \$319,815,000 is authorized for allocation  
8 by the Environmental Protection Agency for grants or loans to  
9 units of local government in such amounts, at such times and  
10 for such purpose as the Agency deems necessary or desirable for  
11 the planning, financing, and construction of municipal sewage  
12 treatment works and solid waste disposal facilities and for  
13 making of deposits into the Water Revolving Fund and the U.S.  
14 Environmental Protection Fund to provide assistance in  
15 accordance with the provisions of Title IV-A of the  
16 Environmental Protection Act.

17 (b) The amount of \$160,500,000 is authorized for allocation  
18 by the Environmental Protection Agency for payment of claims  
19 submitted to the State and approved for payment under the  
20 Leaking Underground Storage Tank Program established in Title  
21 XVI of the Environmental Protection Act.

22 (c) The amount of \$35,000,000 is authorized for use by the  
23 Office of the Lieutenant Governor for the purposes stated in  
24 Section 10 of the Clean Water Bond Act.

25 (Source: P.A. 92-13, eff. 6-22-01; 92-598, eff. 6-28-02;  
26 93-650, eff. 1-8-04.)

27 Section 999. Effective date. This Act takes effect upon  
28 becoming law.