



Sen. Mike Jacobs

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09400SB1977sam001

LRB094 11537 BDD 43394 a

1 AMENDMENT TO SENATE BILL 1977

2 AMENDMENT NO. _____. Amend Senate Bill 1977 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Quad Cities Regional Economic Development
5 Authority Act, approved September 22, 1987 is amended by
6 changing Section 9 as follows:

7 (70 ILCS 510/9) (from Ch. 85, par. 6209)

8 Sec. 9. Bonds and notes. (a) (1) The Authority may, with the
9 written approval of the Governor, at any time and from time to
10 time, issue bonds and notes for any corporate purpose,
11 including the establishment of reserves and the payment of
12 interest. In this Act the term "bonds" includes notes of any
13 kind, interim certificates, refunding bonds or any other
14 evidence of obligation.

15 (2) The bonds of any issue shall be payable solely from the
16 property or receipts of the Authority, including, without
17 limitation:

18 (I) fees, charges or other revenues payable to the
19 Authority;

20 (II) payments by financial institutions, insurance
21 companies, or others pursuant to letters or lines of credit,
22 policies of insurance, or purchase agreements;

23 (III) investment earnings from funds or accounts
24 maintained pursuant to a bond resolution or trust agreement;

1 and

2 (IV) proceeds of refunding bonds.

3 (3) Bonds shall be authorized by a resolution of the
4 Authority and may be secured by a trust agreement by and
5 between the Authority and a corporate trustee or trustees,
6 which may be any trust company or bank having the powers of a
7 trust company within or without the State. Bonds shall:

8 (I) be issued at, above or below par value, for cash or
9 other valuable consideration, and mature at time or times,
10 whether as serial bonds or as term bonds or both, not exceeding
11 40 years from their respective date of issue; however, the
12 length of the term of the bond should bear a reasonable
13 relationship to the value life of the item financed;

14 (II) bear interest at the fixed or variable rate or rates
15 determined by the method provided in the resolution or trust
16 agreement;

17 (III) be payable at a time or times, in the denominations
18 and form, either coupon or registered or both, and carry the
19 registration and privileges as to conversion and for the
20 replacement of mutilated, lost or destroyed bonds as the
21 resolution or trust agreement may provide;

22 (IV) be payable in lawful money of the United States at a
23 designated place;

24 (V) be subject to the terms of purchase, payment,
25 redemption, refunding or refinancing that the resolution or
26 trust agreement provides;

27 (VI) be executed by the manual or facsimile signatures of
28 the officers of the Authority designated by the Authority,
29 which signatures shall be valid at delivery even for one who
30 has ceased to hold office; and

31 (VII) be sold in the manner and upon the terms determined
32 by the Authority.

33 (b) Any resolution or trust agreement may contain
34 provisions which shall be a part of the contract with the

1 holders of the bonds as to:

2 (1) pledging, assigning or directing the use, investment or
3 disposition of receipts of the Authority or proceeds or
4 benefits of any contract and conveying or otherwise securing
5 any property or property rights;

6 (2) the setting aside of loan funding deposits, debt
7 service reserves, capitalized interest accounts, cost of
8 issuance accounts and sinking funds, and the regulations,
9 investment and disposition thereof;

10 (3) limitations on the purpose to which or the investments
11 in which the proceeds of sale of any issue of bonds may be
12 applied and restrictions to investment of revenues or bond
13 proceeds in government obligations for which principal and
14 interest are unconditionally guaranteed by the United States of
15 America;

16 (4) limitations on the issue of additional bonds, the terms
17 upon which additional bonds may be issued and secured, the
18 terms upon which additional bonds may rank on a parity with, or
19 be subordinate or superior to, other bonds;

20 (5) the refunding or refinancing of outstanding bonds;

21 (6) the procedure, if any, by which the terms of any
22 contract with bondholders may be altered or amended and the
23 amount of bonds and holders of which must consent thereto, and
24 the manner in which consent shall be given;

25 (7) defining the acts or omissions which shall constitute a
26 default in the duties of the Authority to holders of bonds and
27 providing the rights or remedies of such holders in the event
28 of a default which may include provisions restricting
29 individual right of action by bondholders;

30 (8) providing for guarantees, pledges of property, letters
31 of credit, or other security, or insurance for the benefit of
32 bondholders; and

33 (9) any other matter relating to the bonds which the
34 Authority determines appropriate.

1 (c) No member of the Authority nor any person executing the
2 bonds shall be liable personally on the bonds or subject to any
3 personal liability by reason of the issuance of the bonds.

4 (d) The Authority may enter into agreements with agents,
5 banks, insurers or others for the purpose of enhancing the
6 marketability of or as security for its bonds.

7 (e)(1) A pledge by the Authority of revenues as security
8 for an issue of bonds shall be valid and binding from the time
9 when the pledge is made.

10 (2) The revenues pledged shall immediately be subject to
11 the lien of the pledge without any physical delivery or further
12 act, and the lien of any pledge shall be valid and binding
13 against any person having any claim of any kind in tort,
14 contract or otherwise against the Authority, irrespective of
15 whether the person has notice.

16 (3) No resolution, trust agreement or financing statement,
17 continuation statement, or other instrument adopted or entered
18 into by the Authority need be filed or recorded in any public
19 record other than the records of the authority in order to
20 perfect the lien against third persons, regardless of any
21 contrary provision of law.

22 (f) The Authority may issue bonds to refund any of its
23 bonds then outstanding, including the payment of any redemption
24 premium and any interest accrued or to accrue to the earliest
25 or any subsequent date of redemption, purchase or maturity of
26 the bonds. Refunding bonds may be issued for the public
27 purposes of realizing savings in the effective costs of debt
28 service, directly or through a debt restructuring, for
29 alleviating impending or actual default and may be issued in
30 one or more series in an amount in excess of that of the bonds
31 to be refunded.

32 (g) Bonds or notes of the Authority may be sold by the
33 Authority through the process of competitive bid or negotiated
34 sale.

1 (h) At no time shall the total outstanding bonds and notes
2 of the Authority exceed \$250 million ~~\$100 million~~.

3 (i) The bonds and notes of the Authority shall not be debts
4 of the State.

5 (j) In no event may proceeds of bonds or notes issued by
6 the Authority be used to finance any structure which is not
7 constructed pursuant to an agreement between the Authority and
8 a party, which provides for the delivery by the party of a
9 completed structure constructed pursuant to a fixed price
10 contract, and which provides for the delivery of such structure
11 at such fixed price to be insured or guaranteed by a third
12 party determined by the Authority to be capable of completing
13 construction of such a structure.

14 (Source: P.A. 85-713.)

15 Section 10. The Quad Cities Regional Economic Development
16 Authority Act, certified December 30, 1987 is amended by
17 changing Section 9 as follows:

18 (70 ILCS 515/9) (from Ch. 85, par. 6509)

19 Sec. 9. Bonds and notes. (a) (1) The Authority may, with the
20 written approval of the Governor, at any time and from time to
21 time, issue bonds and notes for any corporate purpose,
22 including the establishment of reserves and the payment of
23 interest. In this Act the term "bonds" includes notes of any
24 kind, interim certificates, refunding bonds or any other
25 evidence of obligation.

26 (2) The bonds of any issue shall be payable solely from the
27 property or receipts of the Authority, including, without
28 limitation:

29 (I) fees, charges or other revenues payable to the
30 Authority;

31 (II) payments by financial institutions, insurance
32 companies, or others pursuant to letters or lines of credit,

1 policies of insurance, or purchase agreements;

2 (III) investment earnings from funds or accounts
3 maintained pursuant to a bond resolution or trust agreement;
4 and

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6 (3) Bonds shall be authorized by a resolution of the
7 Authority and may be secured by a trust agreement by and
8 between the Authority and a corporate trustee or trustees,
9 which may be any trust company or bank having the powers of a
10 trust company within or without the State. Bonds shall:

11 (I) be issued at, above or below par value, for cash or
12 other valuable consideration, and mature at time or times,
13 whether as serial bonds or as term bonds or both, not exceeding
14 40 years from their respective date of issue; however, the
15 length of the term of the bond should bear a reasonable
16 relationship to the value life of the item financed;

17 (II) bear interest at the fixed or variable rate or rates
18 determined by the method provided in the resolution or trust
19 agreement;

20 (III) be payable at a time or times, in the denominations
21 and form, either coupon or registered or both, and carry the
22 registration and privileges as to conversion and for the
23 replacement of mutilated, lost or destroyed bonds as the
24 resolution or trust agreement may provide;

25 (IV) be payable in lawful money of the United States at a
26 designated place;

27 (V) be subject to the terms of purchase, payment,
28 redemption, refunding or refinancing that the resolution or
29 trust agreement provides;

30 (VI) be executed by the manual or facsimile signatures of
31 the officers of the Authority designated by the Authority,
32 which signatures shall be valid at delivery even for one who
33 has ceased to hold office; and

34 (VII) be sold in the manner and upon the terms determined

1 by the Authority.

2 (b) Any resolution or trust agreement may contain
3 provisions which shall be a part of the contract with the
4 holders of the bonds as to:

5 (1) pledging, assigning or directing the use, investment or
6 disposition of receipts of the Authority or proceeds or
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8 any property or property rights;

9 (2) the setting aside of loan funding deposits, debt
10 service reserves, capitalized interest accounts, cost of
11 issuance accounts and sinking funds, and the regulations,
12 investment and disposition thereof;

13 (3) limitations on the purpose to which or the investments
14 in which the proceeds of sale of any issue of bonds may be
15 applied and restrictions to investment of revenues or bond
16 proceeds in government obligations for which principal and
17 interest are unconditionally guaranteed by the United States of
18 America;

19 (4) limitations on the issue of additional bonds, the terms
20 upon which additional bonds may be issued and secured, the
21 terms upon which additional bonds may rank on a parity with, or
22 be subordinate or superior to, other bonds;

23 (5) the refunding or refinancing of outstanding bonds;

24 (6) the procedure, if any, by which the terms of any
25 contract with bondholders may be altered or amended and the
26 amount of bonds and holders of which must consent thereto, and
27 the manner in which consent shall be given;

28 (7) defining the acts or omissions which shall constitute a
29 default in the duties of the Authority to holders of bonds and
30 providing the rights or remedies of such holders in the event
31 of a default which may include provisions restricting
32 individual right of action by bondholders;

33 (8) providing for guarantees, pledges of property, letters
34 of credit, or other security, or insurance for the benefit of

1 bondholders; and

2 (9) any other matter relating to the bonds which the
3 Authority determines appropriate.

4 (c) No member of the Authority nor any person executing the
5 bonds shall be liable personally on the bonds or subject to any
6 personal liability by reason of the issuance of the bonds.

7 (d) The Authority may enter into agreements with agents,
8 banks, insurers or others for the purpose of enhancing the
9 marketability of or as security for its bonds.

10 (e) (1) A pledge by the Authority of revenues as security
11 for an issue of bonds shall be valid and binding from the time
12 when the pledge is made.

13 (2) The revenues pledged shall immediately be subject to
14 the lien of the pledge without any physical delivery or further
15 act, and the lien of any pledge shall be valid and binding
16 against any person having any claim of any kind in tort,
17 contract or otherwise against the Authority, irrespective of
18 whether the person has notice.

19 (3) No resolution, trust agreement or financing statement,
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29 the bonds. Refunding bonds may be issued for the public
30 purposes of realizing savings in the effective costs of debt
31 service, directly or through a debt restructuring, for
32 alleviating impending or actual default and may be issued in
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12 completed structure constructed pursuant to a fixed price
13 contract, and which provides for the delivery of such structure
14 at such fixed price to be insured or guaranteed by a third
15 party determined by the Authority to be capable of completing
16 construction of such a structure.

17 (Source: P.A. 85-988.)".