



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

SB0066

Introduced 1/31/2007, by Sen. Susan Garrett

#### SYNOPSIS AS INTRODUCED:

20 ILCS 3501/801-25  
20 ILCS 3501/801-40  
20 ILCS 3501/801-50 new  
20 ILCS 3501/825-65  
20 ILCS 3501/825-75  
20 ILCS 3501/825-80  
20 ILCS 3501/825-85

Amends the Illinois Finance Authority Act. Provides that all official acts of the Authority require the approval of a majority of the members then holding office (instead of 8 members). Provides that a majority of the members of the Authority holding office constitutes a quorum (instead of 8 members). Provides that the Authority may enter into agreements with respect to its bond payment obligations. Provides that any pledge of revenues or other moneys made by the Authority shall be binding from the time the pledge is made, and that revenues and other moneys pledged shall be held outside of the State treasury and shall be subject to certain liens. Provides that "clean coal and energy projects" includes new gasification facilities. Provides that moneys in the Fire Truck Revolving Loan Fund and the Ambulance Revolving Loan Fund may also be used to reimburse the Authority for reasonable expenses incurred in connection with administering the loan programs, including reimbursement for time spent by Authority staff. Makes other changes. Effective immediately.

LRB095 04920 HLH 24986 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 5. The Illinois Finance Authority Act is amended by  
5 changing Sections 801-25, 801-40, 825-65, 825-75, 825-80, and  
6 825-85 and by adding Section 801-50 as follows:

7 (20 ILCS 3501/801-25)

8 Sec. 801-25. All official acts of the Authority shall  
9 require the approval of a majority of the members then holding  
10 office ~~at least 8 members~~. All meetings of the Authority and  
11 the Advisory Councils shall be conducted in accordance with the  
12 Open Meetings Act. A majority ~~Eight members~~ of the members then  
13 holding office ~~Authority~~ shall constitute a quorum. All  
14 meetings shall be conducted at a single location within this  
15 State with a quorum of members physically present at this  
16 location. Other members who are not physically present at this  
17 location may participate in the meeting and vote on all matters  
18 by means of a video or audio conference. The Auditor General  
19 shall conduct financial audits and program audits of the  
20 Authority, in accordance with the Illinois State Auditing Act.  
21 (Source: P.A. 93-205, eff. 1-1-04; 93-1101, eff. 3-31-05.)

22 (20 ILCS 3501/801-40)

1           Sec. 801-40. In addition to the powers otherwise authorized  
2 by law and in addition to the foregoing general corporate  
3 powers, the Authority shall also have the following additional  
4 specific powers to be exercised in furtherance of the purposes  
5 of this Act.

6           (a) The Authority shall have power (i) to accept grants,  
7 loans or appropriations from the federal government or the  
8 State, or any agency or instrumentality thereof, to be used for  
9 the operating expenses of the Authority, or for any purposes of  
10 the Authority, including the making of direct loans of such  
11 funds with respect to projects, and (ii) to enter into any  
12 agreement with the federal government or the State, or any  
13 agency or instrumentality thereof, in relationship to such  
14 grants, loans or appropriations.

15           (b) The Authority shall have power to procure and enter  
16 into contracts for any type of insurance and indemnity  
17 agreements covering loss or damage to property from any cause,  
18 including loss of use and occupancy, or covering any other  
19 insurable risk.

20           (c) The Authority shall have the continuing power to issue  
21 bonds for its corporate purposes. Bonds may be issued by the  
22 Authority in one or more series and may provide for the payment  
23 of any interest deemed necessary on such bonds, of the costs of  
24 issuance of such bonds, of any premium on any insurance, or of  
25 the cost of any guarantees, letters of credit or other similar  
26 documents, may provide for the funding of the reserves deemed

1 necessary in connection with such bonds, and may provide for  
2 the refunding or advance refunding of any bonds or for accounts  
3 deemed necessary in connection with any purpose of the  
4 Authority. The bonds may bear interest payable at any time or  
5 times and at any rate or rates, notwithstanding any other  
6 provision of law to the contrary, and such rate or rates may be  
7 established by an index or formula which may be implemented or  
8 established by persons appointed or retained therefor by the  
9 Authority, or may bear no interest or may bear interest payable  
10 at maturity or upon redemption prior to maturity, may bear such  
11 date or dates, may be payable at such time or times and at such  
12 place or places, may mature at any time or times not later than  
13 40 years from the date of issuance, may be sold at public or  
14 private sale at such time or times and at such price or prices,  
15 may be secured by such pledges, reserves, guarantees, letters  
16 of credit, insurance contracts or other similar credit support  
17 or liquidity instruments, may be executed in such manner, may  
18 be subject to redemption prior to maturity, may provide for the  
19 registration of the bonds, and may be subject to such other  
20 terms and conditions all as may be provided by the resolution  
21 or indenture authorizing the issuance of such bonds. The holder  
22 or holders of any bonds issued by the Authority may bring suits  
23 at law or proceedings in equity to compel the performance and  
24 observance by any person or by the Authority or any of its  
25 agents or employees of any contract or covenant made with the  
26 holders of such bonds and to compel such person or the

1 Authority and any of its agents or employees to perform any  
2 duties required to be performed for the benefit of the holders  
3 of any such bonds by the provision of the resolution  
4 authorizing their issuance, and to enjoin such person or the  
5 Authority and any of its agents or employees from taking any  
6 action in conflict with any such contract or covenant.  
7 Notwithstanding the form and tenor of any such bonds and in the  
8 absence of any express recital on the face thereof that it is  
9 non-negotiable, all such bonds shall be negotiable  
10 instruments. Pending the preparation and execution of any such  
11 bonds, temporary bonds may be issued as provided by the  
12 resolution. The bonds shall be sold by the Authority in such  
13 manner as it shall determine. The bonds may be secured as  
14 provided in the authorizing resolution by the receipts,  
15 revenues, income and other available funds of the Authority and  
16 by any amounts derived by the Authority from the loan agreement  
17 or lease agreement with respect to the project or projects; and  
18 bonds may be issued as general obligations of the Authority  
19 payable from such revenues, funds and obligations of the  
20 Authority as the bond resolution shall provide, or may be  
21 issued as limited obligations with a claim for payment solely  
22 from such revenues, funds and obligations as the bond  
23 resolution shall provide. The Authority may grant a specific  
24 pledge or assignment of and lien on or security interest in  
25 such rights, revenues, income, or amounts and may grant a  
26 specific pledge or assignment of and lien on or security

1 interest in any reserves, funds or accounts established in the  
2 resolution authorizing the issuance of bonds. Any such pledge,  
3 assignment, lien or security interest for the benefit of the  
4 holders of the Authority's bonds shall be valid and binding  
5 from the time the bonds are issued without any physical  
6 delivery or further act, and shall be valid and binding as  
7 against and prior to the claims of all other parties having  
8 claims against the Authority or any other person irrespective  
9 of whether the other parties have notice of the pledge,  
10 assignment, lien or security interest. As evidence of such  
11 pledge, assignment, lien and security interest, the Authority  
12 may execute and deliver a mortgage, trust agreement, indenture  
13 or security agreement or an assignment thereof. A remedy for  
14 any breach or default of the terms of any such agreement by the  
15 Authority may be by mandamus proceedings in any court of  
16 competent jurisdiction to compel the performance and  
17 compliance therewith, but the agreement may prescribe by whom  
18 or on whose behalf such action may be instituted. It is  
19 expressly understood that the Authority may, but need not,  
20 acquire title to any project with respect to which it exercises  
21 its authority.

22 (d) With respect to the powers granted by this Act, the  
23 Authority may adopt rules and regulations prescribing the  
24 procedures by which persons may apply for assistance under this  
25 Act. Nothing herein shall be deemed to preclude the Authority,  
26 prior to the filing of any formal application, from conducting

1 preliminary discussions and investigations with respect to the  
2 subject matter of any prospective application.

3 (e) The Authority shall have power to acquire by purchase,  
4 lease, gift or otherwise any property or rights therein from  
5 any person useful for its purposes, whether improved for the  
6 purposes of any prospective project, or unimproved. The  
7 Authority may also accept any donation of funds for its  
8 purposes from any such source. The Authority shall have no  
9 independent power of condemnation but may acquire any property  
10 or rights therein obtained upon condemnation by any other  
11 authority, governmental entity or unit of local government with  
12 such power.

13 (f) The Authority shall have power to develop, construct  
14 and improve either under its own direction, or through  
15 collaboration with any approved applicant, or to acquire  
16 through purchase or otherwise, any project, using for such  
17 purpose the proceeds derived from the sale of its bonds or from  
18 governmental loans or grants, and to hold title in the name of  
19 the Authority to such projects.

20 (g) The Authority shall have power to lease pursuant to a  
21 lease agreement any project so developed and constructed or  
22 acquired to the approved tenant on such terms and conditions as  
23 may be appropriate to further the purposes of this Act and to  
24 maintain the credit of the Authority. Any such lease may  
25 provide for either the Authority or the approved tenant to  
26 assume initially, in whole or in part, the costs of

1 maintenance, repair and improvements during the leasehold  
2 period. In no case, however, shall the total rentals from any  
3 project during any initial leasehold period or the total loan  
4 repayments to be made pursuant to any loan agreement, be less  
5 than an amount necessary to return over such lease or loan  
6 period (1) all costs incurred in connection with the  
7 development, construction, acquisition or improvement of the  
8 project and for repair, maintenance and improvements thereto  
9 during the period of the lease or loan; provided, however, that  
10 the rentals or loan repayments need not include costs met  
11 through the use of funds other than those obtained by the  
12 Authority through the issuance of its bonds or governmental  
13 loans; (2) a reasonable percentage additive to be agreed upon  
14 by the Authority and the borrower or tenant to cover a properly  
15 allocable portion of the Authority's general expenses,  
16 including, but not limited to, administrative expenses,  
17 salaries and general insurance, and (3) an amount sufficient to  
18 pay when due all principal of, interest and premium, if any on,  
19 any bonds issued by the Authority with respect to the project.  
20 The portion of total rentals payable under clause (3) of this  
21 subsection (g) shall be deposited in such special accounts,  
22 including all sinking funds, acquisition or construction  
23 funds, debt service and other funds as provided by any  
24 resolution, mortgage or trust agreement of the Authority  
25 pursuant to which any bond is issued.

26 (h) The Authority has the power, upon the termination of



1 any leasehold period of any project, to sell or lease for a  
2 further term or terms such project on such terms and conditions  
3 as the Authority shall deem reasonable and consistent with the  
4 purposes of the Act. The net proceeds from all such sales and  
5 the revenues or income from such leases shall be used to  
6 satisfy any indebtedness of the Authority with respect to such  
7 project and any balance may be used to pay any expenses of the  
8 Authority or be used for the further development, construction,  
9 acquisition or improvement of projects. In the event any  
10 project is vacated by a tenant prior to the termination of the  
11 initial leasehold period, the Authority shall sell or lease the  
12 facilities of the project on the most advantageous terms  
13 available. The net proceeds of any such disposition shall be  
14 treated in the same manner as the proceeds from sales or the  
15 revenues or income from leases subsequent to the termination of  
16 any initial leasehold period.

17 (i) The Authority shall have the power to make loans to  
18 persons to finance a project, to enter into loan agreements  
19 with respect thereto, and to accept guarantees from persons of  
20 its loans or the resultant evidences of obligations of the  
21 Authority.

22 (j) The Authority may fix, determine, charge and collect  
23 any premiums, fees, charges, costs and expenses, including,  
24 without limitation, any application fees, commitment fees,  
25 program fees, financing charges or publication fees from any  
26 person in connection with its activities under this Act.

1           (k) In addition to the funds established as provided  
2 herein, the Authority shall have the power to create and  
3 establish such reserve funds and accounts as may be necessary  
4 or desirable to accomplish its purposes under this Act and to  
5 deposit its available monies into the funds and accounts.

6           (l) At the request of the governing body of any unit of  
7 local government, the Authority is authorized to market such  
8 local government's revenue bond offerings by preparing bond  
9 issues for sale, advertising for sealed bids, receiving bids at  
10 its offices, making the award to the bidder that offers the  
11 most favorable terms or arranging for negotiated placements or  
12 underwritings of such securities. The Authority may, at its  
13 discretion, offer for concurrent sale the revenue bonds of  
14 several local governments. Sales by the Authority of revenue  
15 bonds under this Section shall in no way imply State guarantee  
16 of such debt issue. The Authority may require such financial  
17 information from participating local governments as it deems  
18 necessary in order to carry out the purposes of this subsection  
19 (1).

20           (m) The Authority may make grants to any county to which  
21 Division 5-37 of the Counties Code is applicable to assist in  
22 the financing of capital development, construction and  
23 renovation of new or existing facilities for hospitals and  
24 health care facilities under that Act. Such grants may only be  
25 made from funds appropriated for such purposes from the Build  
26 Illinois Bond Fund.

1           (n) The Authority may establish an urban development action  
2 grant program for the purpose of assisting municipalities in  
3 Illinois which are experiencing severe economic distress to  
4 help stimulate economic development activities needed to aid in  
5 economic recovery. The Authority shall determine the types of  
6 activities and projects for which the urban development action  
7 grants may be used, provided that such projects and activities  
8 are broadly defined to include all reasonable projects and  
9 activities the primary objectives of which are the development  
10 of viable urban communities, including decent housing and a  
11 suitable living environment, and expansion of economic  
12 opportunity, principally for persons of low and moderate  
13 incomes. The Authority shall enter into grant agreements from  
14 monies appropriated for such purposes from the Build Illinois  
15 Bond Fund. The Authority shall monitor the use of the grants,  
16 and shall provide for audits of the funds as well as recovery  
17 by the Authority of any funds determined to have been spent in  
18 violation of this subsection (n) or any rule or regulation  
19 promulgated hereunder. The Authority shall provide technical  
20 assistance with regard to the effective use of the urban  
21 development action grants. The Authority shall file an annual  
22 report to the General Assembly concerning the progress of the  
23 grant program.

24           (o) The Authority may establish a Housing Partnership  
25 Program whereby the Authority provides zero-interest loans to  
26 municipalities for the purpose of assisting in the financing of

1 projects for the rehabilitation of affordable multi-family  
2 housing for low and moderate income residents. The Authority  
3 may provide such loans only upon a municipality's providing  
4 evidence that it has obtained private funding for the  
5 rehabilitation project. The Authority shall provide 3 State  
6 dollars for every 7 dollars obtained by the municipality from  
7 sources other than the State of Illinois. The loans shall be  
8 made from monies appropriated for such purpose from the Build  
9 Illinois Bond Fund. The total amount of loans available under  
10 the Housing Partnership Program shall not exceed \$30,000,000.  
11 State loan monies under this subsection shall be used only for  
12 the acquisition and rehabilitation of existing buildings  
13 containing 4 or more dwelling units. The terms of any loan made  
14 by the municipality under this subsection shall require  
15 repayment of the loan to the municipality upon any sale or  
16 other transfer of the project.

17 (p) The Authority may award grants to universities and  
18 research institutions, research consortiums and other  
19 not-for-profit entities for the purposes of: remodeling or  
20 otherwise physically altering existing laboratory or research  
21 facilities, expansion or physical additions to existing  
22 laboratory or research facilities, construction of new  
23 laboratory or research facilities or acquisition of modern  
24 equipment to support laboratory or research operations  
25 provided that such grants (i) be used solely in support of  
26 project and equipment acquisitions which enhance technology

1 transfer, and (ii) not constitute more than 60 percent of the  
2 total project or acquisition cost.

3 (q) Grants may be awarded by the Authority to units of  
4 local government for the purpose of developing the appropriate  
5 infrastructure or defraying other costs to the local government  
6 in support of laboratory or research facilities provided that  
7 such grants may not exceed 40% of the cost to the unit of local  
8 government.

9 (r) The Authority may establish a Direct Loan Program to  
10 make loans to individuals, partnerships or corporations for the  
11 purpose of an industrial project, as defined in Section 801-10  
12 of this Act. For the purposes of such program and not by way of  
13 limitation on any other program of the Authority, the Authority  
14 shall have the power to issue bonds, notes, or other evidences  
15 of indebtedness including commercial paper for purposes of  
16 providing a fund of capital from which it may make such loans.  
17 The Authority shall have the power to use any appropriations  
18 from the State made especially for the Authority's Direct Loan  
19 Program for additional capital to make such loans or for the  
20 purposes of reserve funds or pledged funds which secure the  
21 Authority's obligations of repayment of any bond, note or other  
22 form of indebtedness established for the purpose of providing  
23 capital for which it intends to make such loans under the  
24 Direct Loan Program. For the purpose of obtaining such capital,  
25 the Authority may also enter into agreements with financial  
26 institutions and other persons for the purpose of selling loans

1 and developing a secondary market for such loans. Loans made  
2 under the Direct Loan Program may be in an amount not to exceed  
3 \$300,000 and shall be made for a portion of an industrial  
4 project which does not exceed 50% of the total project. ~~No loan~~  
5 ~~may be made by the Authority unless approved by the affirmative~~  
6 ~~vote of at least 8 members of the board.~~ The Authority shall  
7 establish procedures and publish rules which shall provide for  
8 the submission, review, and analysis of each direct loan  
9 application and which shall preserve the ability of each board  
10 member to reach an individual business judgment regarding the  
11 propriety of making each direct loan. The collective discretion  
12 of the board to approve or disapprove each loan shall be  
13 unencumbered. The Authority may establish and collect such fees  
14 and charges, determine and enforce such terms and conditions,  
15 and charge such interest rates as it determines to be necessary  
16 and appropriate to the successful administration of the Direct  
17 Loan Program. The Authority may require such interests in  
18 collateral and such guarantees as it determines are necessary  
19 to protect the Authority's interest in the repayment of the  
20 principal and interest of each loan made under the Direct Loan  
21 Program.

22 (s) The Authority may guarantee private loans to third  
23 parties up to a specified dollar amount in order to promote  
24 economic development in this State.

25 (t) The Authority may adopt rules and regulations as may be  
26 necessary or advisable to implement the powers conferred by

1 this Act.

2 (u) The Authority shall have the power to issue bonds,  
3 notes or other evidences of indebtedness, which may be used to  
4 make loans to units of local government which are authorized to  
5 enter into loan agreements and other documents and to issue  
6 bonds, notes and other evidences of indebtedness for the  
7 purpose of financing the protection of storm sewer outfalls,  
8 the construction of adequate storm sewer outfalls, and the  
9 provision for flood protection of sanitary sewage treatment  
10 plans, in counties that have established a stormwater  
11 management planning committee in accordance with Section  
12 5-1062 of the Counties Code. Any such loan shall be made by the  
13 Authority pursuant to the provisions of Section 820-5 to 820-60  
14 of this Act. The unit of local government shall pay back to the  
15 Authority the principal amount of the loan, plus annual  
16 interest as determined by the Authority. The Authority shall  
17 have the power, subject to appropriations by the General  
18 Assembly, to subsidize or buy down a portion of the interest on  
19 such loans, up to 4% per annum.

20 (v) The Authority may accept security interests as provided  
21 in Sections 11-3 and 11-3.3 of the Illinois Public Aid Code.

22 (w) Moral Obligation. In the event that the Authority  
23 determines that monies of the Authority will not be sufficient  
24 for the payment of the principal of and interest on its bonds  
25 during the next State fiscal year, the Chairperson, as soon as  
26 practicable, shall certify to the Governor the amount required

1 by the Authority to enable it to pay such principal of and  
2 interest on the bonds. The Governor shall submit the amount so  
3 certified to the General Assembly as soon as practicable, but  
4 no later than the end of the current State fiscal year. This  
5 subsection shall apply only to any bonds or notes as to which  
6 the Authority shall have determined, in the resolution  
7 authorizing the issuance of the bonds or notes, that this  
8 subsection shall apply. Whenever the Authority makes such a  
9 determination, that fact shall be plainly stated on the face of  
10 the bonds or notes and that fact shall also be reported to the  
11 Governor. In the event of a withdrawal of moneys from a reserve  
12 fund established with respect to any issue or issues of bonds  
13 of the Authority to pay principal or interest on those bonds,  
14 the Chairperson of the Authority, as soon as practicable, shall  
15 certify to the Governor the amount required to restore the  
16 reserve fund to the level required in the resolution or  
17 indenture securing those bonds. The Governor shall submit the  
18 amount so certified to the General Assembly as soon as  
19 practicable, but no later than the end of the current State  
20 fiscal year. The Authority shall obtain written approval from  
21 the Governor for any bonds and notes to be issued under this  
22 Section. In addition to any other bonds authorized to be issued  
23 under Sections 825-60, 825-65(e), 830-25 and 845-5, the  
24 principal amount of Authority bonds outstanding issued under  
25 this Section 801-40(w) or under 20 ILCS 3850/1-80 or 30 ILCS  
26 360/2-6(c), which have been assumed by the Authority, shall not



1 exceed \$150,000,000.

2 (x) The Authority may enter into agreements or contracts  
3 with any person necessary or appropriate to place the payment  
4 obligations of the Authority under any of its bonds in whole or  
5 in part on any interest rate basis, cash flow basis, or other  
6 basis desired by the Authority, including without limitation  
7 agreements or contracts commonly known as "interest rate swap  
8 agreements", "forward payment conversion agreements", and  
9 "futures", or agreements or contracts to exchange cash flows or  
10 a series of payments, or agreements or contracts, including  
11 without limitation agreements or contracts commonly known as  
12 "options", "puts", or "calls", to hedge payment, rate spread,  
13 or similar exposure; provided that any such agreement or  
14 contract shall not constitute an obligation for borrowed money  
15 and shall not be taken into account under Section 845-5 of this  
16 Act or any other debt limit of the Authority or the State of  
17 Illinois.

18 (Source: P.A. 93-205, eff. 1-1-04; 94-91, eff. 7-1-05.)

19 (20 ILCS 3501/801-50 new)

20 Sec. 801-50. Pledge of revenues by the Authority;  
21 non-impairment. Any pledge of revenues or other moneys made by  
22 the Authority shall be binding from the time the pledge is  
23 made. Revenues and other moneys so pledged shall be held  
24 outside of the State treasury and in the custody of either the  
25 Treasurer of the Authority or a trustee or a depository

1 appointed by the Authority. Revenues or other moneys so pledged  
2 and thereafter received by the Authority or trustee or  
3 depository shall immediately be subject to the lien of the  
4 pledge without any physical delivery thereof or further act,  
5 and the lien of any pledge shall be binding against all parties  
6 having claims of any kind in tort, contract, or otherwise  
7 against the Authority, irrespective of whether the parties have  
8 notice thereof. Neither the resolution nor any other instrument  
9 by which a pledge is created need be filed or recorded except  
10 in the records of the Authority. The State pledges and agrees  
11 with the holders of bonds or other obligations of the Authority  
12 that the State will not limit or restrict the rights hereby  
13 vested in the Authority to purchase, acquire, hold, sell, or  
14 dispose of investments or to establish and collect such fees or  
15 other charges as may be convenient or necessary to produce  
16 sufficient revenues to meet the expenses of operation to the  
17 Authority, and to fulfill the terms of any agreement made with  
18 the holders of the bonds or other obligations of the Authority  
19 or in any way impair the rights or remedies of the holders of  
20 those bonds or other obligations of the Authority until such  
21 bonds or other obligations are fully paid and discharged or  
22 provision for their payment has been made.

23 (20 ILCS 3501/825-65)

24 Sec. 825-65. Clean Coal and Energy Project Financing.

25 (a) Findings and declaration of policy. It is hereby found

1 and declared that Illinois has abundant coal resources and, in  
2 some areas of Illinois, the demand for power exceeds the  
3 generating capacity. Incentives to encourage the construction  
4 of coal-fired electric generating plants in Illinois to ensure  
5 power generating capacity into the future and to advance clean  
6 coal technology and the use of Illinois coal are in the best  
7 interests of all of the citizens of Illinois. The Authority is  
8 authorized to issue bonds to help finance Clean Coal and Energy  
9 projects pursuant to this Section.

10 (b) Definition. "Clean Coal and Energy projects" means new  
11 ~~electric generating~~ facilities, as defined in Section 605-332  
12 of the Department of Commerce and Economic Opportunity Law of  
13 the Civil Administrative Code of Illinois, which may include  
14 mine-mouth power plants, projects that employ the use of clean  
15 coal technology, projects to provide scrubber technology for  
16 existing energy generating plants, or projects to provide  
17 electric transmission facilities or new gasification  
18 facilities.

19 (c) Creation of reserve funds. The Authority may establish  
20 and maintain one or more reserve funds to enhance bonds issued  
21 by the Authority for Clean Coal and Energy projects ~~to develop~~  
22 ~~alternative energy sources, including renewable energy~~  
23 ~~projects, projects to provide scrubber technology for existing~~  
24 ~~energy generating plants or projects to provide electric~~  
25 ~~transmission facilities~~. There may be one or more accounts in  
26 these reserve funds in which there may be deposited:

1           (1) any proceeds of the bonds issued by the Authority  
2           required to be deposited therein by the terms of any  
3           contract between the Authority and its bondholders or any  
4           resolution of the Authority;

5           (2) any other moneys or funds of the Authority that it  
6           may determine to deposit therein from any other source; and

7           (3) any other moneys or funds made available to the  
8           Authority. Subject to the terms of any pledge to the owners  
9           of any bonds, moneys in any reserve fund may be held and  
10          applied to the payment of principal, premium, if any, and  
11          interest of such bonds.

12          (d) Powers and duties. The Authority has the power:

13           (1) To issue bonds in one or more series pursuant to  
14           one or more resolutions of the Authority for any Clean Coal  
15           and Energy projects authorized under this Section, within  
16           the authorization set forth in subsections (e) and (f).

17           (2) To provide for the funding of any reserves or other  
18           funds or accounts deemed necessary by the Authority in  
19           connection with any bonds issued by the Authority.

20           (3) To pledge any funds of the Authority or funds made  
21           available to the Authority that may be applied to such  
22           purpose as security for any bonds or any guarantees,  
23           letters of credit, insurance contracts or similar credit  
24           support or liquidity instruments securing the bonds.

25           (4) To enter into agreements or contracts with third  
26           parties, whether public or private, including, without

1 limitation, the United States of America, the State or any  
2 department or agency thereof, to obtain any  
3 appropriations, grants, loans or guarantees that are  
4 deemed necessary or desirable by the Authority. Any such  
5 guarantee, agreement or contract may contain terms and  
6 provisions necessary or desirable in connection with the  
7 program, subject to the requirements established by the  
8 Act.

9 (5) To exercise such other powers as are necessary or  
10 incidental to the foregoing.

11 (e) Clean Coal and Energy bond authorization and financing  
12 limits. In addition to any other bonds authorized to be issued  
13 under Sections 801-40(w), 825-60, 830-25 and 845-5, the  
14 Authority may have outstanding, at any time, bonds for the  
15 purpose enumerated in this Section 825-65 in an aggregate  
16 principal amount that shall not exceed \$2,700,000,000, of which  
17 no more than \$300,000,000 may be issued to finance transmission  
18 facilities, no more than \$500,000,000 may be issued to finance  
19 scrubbers at existing generating plants, no more than  
20 \$500,000,000 may be issued to finance alternative energy  
21 sources, including renewable energy projects and no more than  
22 \$1,400,000,000 may be issued to finance new ~~electric generating~~  
23 facilities, as defined in Section 605-332 of the Department of  
24 Commerce and Economic Opportunity Law of the Civil  
25 Administrative Code of Illinois, ~~which may include mine-mouth~~  
26 ~~power plants~~. An application for a loan financed from bond

1 proceeds from a borrower or its affiliates for a Clean Coal and  
2 Energy project may not be approved by the Authority for an  
3 amount in excess of \$450,000,000 for any borrower or its  
4 affiliates. These bonds shall not constitute an indebtedness or  
5 obligation of the State of Illinois and it shall be plainly  
6 stated on the face of each bond that it does not constitute an  
7 indebtedness or obligation of the State of Illinois, but is  
8 payable solely from the revenues, income or other assets of the  
9 Authority pledged therefor.

10 (f) Additional Clean Coal and Energy bond authorization and  
11 financing limits. In addition to any other bonds authorized to  
12 be issued under this Act, the Authority may issue bonds for the  
13 purpose enumerated in this Section 825-65 in an aggregate  
14 principal amount that shall not exceed \$300,000,000.

15 (Source: P.A. 93-205, eff. 1-1-04.)

16 (20 ILCS 3501/825-75)

17 Sec. 825-75. Additional Security. In the event that the  
18 Authority determines that monies of the Authority will not be  
19 sufficient for the payment of the principal of and interest on  
20 any bonds issued for new facilities by the Authority under  
21 Sections 825-65 through 825-75 of this Act ~~for energy~~  
22 ~~generation projects that advance clean coal technology and the~~  
23 ~~use of Illinois coal~~ during the next State fiscal year, the  
24 Chairperson, as soon as practicable, shall certify to the  
25 Governor the amount required by the Authority to enable it to

1 pay such principal, premium, if any, and interest on such  
2 bonds. The Governor shall submit the amount so certified to the  
3 General Assembly as soon as practicable, but no later than the  
4 end of the current State fiscal year. This subsection shall ~~not~~  
5 apply to any bonds or notes as to which the Authority shall  
6 have determined, in the resolution authorizing the issuance of  
7 the bonds or notes, that this subsection shall ~~not~~ apply.  
8 Whenever the Authority makes such a determination, that fact  
9 shall be plainly stated on the face of the bonds or notes and  
10 that fact should also be reported to the Governor. In the event  
11 of a withdrawal of moneys from a reserve fund established with  
12 respect to any issue or issues of bonds of the Authority to pay  
13 principal, premium, if any, and interest on such bonds, the  
14 Chairman of the Authority, as soon as practicable, shall  
15 certify to the Governor the amount required to restore the  
16 reserve fund to the level required in the resolution or  
17 indenture securing those bonds. The Governor shall submit the  
18 amount so certified to the General Assembly as soon as  
19 practicable, but no later than the end of the current State  
20 fiscal year. The Authority shall obtain written approval from  
21 the Governor for any bonds and notes to be issued under this  
22 Section.

23 (Source: P.A. 93-205, eff. 1-1-04.)

24 (20 ILCS 3501/825-80)

25 Sec. 825-80. Fire truck revolving loan program.

1 (a) This Section is a continuation and re-enactment of the  
2 fire truck revolving loan program enacted as Section 3-27 of  
3 the Rural Bond Bank Act by Public Act 93-35, effective June 24,  
4 2003, and repealed by Public Act 93-205, effective January 1,  
5 2004. Under the Rural Bond Bank Act, the program was  
6 administered by the Rural Bond Bank and the State Fire Marshal.

7 (b) The Authority and the State Fire Marshal shall jointly  
8 administer a fire truck revolving loan program. The program  
9 shall provide zero-interest loans for the purchase of fire  
10 trucks by a fire department, a fire protection district, or a  
11 township fire department. The Authority shall make loans based  
12 on need, as determined by the State Fire Marshal.

13 (c) The loan funds, subject to appropriation, shall be paid  
14 out of the Fire Truck Revolving Loan Fund, a special fund in  
15 the State Treasury. The Fund shall consist of any moneys  
16 transferred or appropriated into the Fund, as well as all  
17 repayments of loans made under the program and any balance  
18 existing in the Fund on the effective date of this Section. The  
19 Fund shall be used for loans to fire departments and fire  
20 protection districts to purchase fire trucks and to reimburse  
21 the Authority for all reasonable costs and expenses incurred in  
22 connection with administering the fire truck revolving loan  
23 program including, without limitation, reimbursement for time  
24 spent by Authority staff ~~for no other purpose~~. All interest  
25 earned on moneys in the Fund shall be deposited into the Fund.

26 (d) A loan for the purchase of fire trucks may not exceed



1 \$250,000 to any fire department or fire protection district.  
2 The repayment period for the loan may not exceed 20 years. The  
3 fire department or fire protection district shall repay each  
4 year at least 5% of the principal amount borrowed or the  
5 remaining balance of the loan, whichever is less. All  
6 repayments of loans shall be deposited into the Fire Truck  
7 Revolving Loan Fund.

8 (e) The Authority and the State Fire Marshal shall adopt  
9 rules to administer the program.

10 (f) Notwithstanding the repeal of Section 3-27 of the Rural  
11 Bond Bank Act, all otherwise lawful actions taken on or after  
12 January 1, 2004 and before the effective date of this Section  
13 by any person under the authority originally granted by that  
14 Section 3-27, including without limitation the granting,  
15 acceptance, and repayment of loans for the purchase of fire  
16 trucks, are hereby validated, and the rights and obligations of  
17 all parties to any such loan are hereby acknowledged and  
18 confirmed.

19 (Source: P.A. 94-221, eff. 7-14-05.)

20 (20 ILCS 3501/825-85)

21 Sec. 825-85. Ambulance revolving loan program.

22 (a) The Authority and the State Fire Marshal shall jointly  
23 administer an ambulance revolving loan program. The program  
24 shall provide zero-interest loans for the purchase of  
25 ambulances by a fire department, a fire protection district, a

1 township fire department, or a non-profit ambulance service.  
2 The Authority shall make loans based on need, as determined by  
3 the State Fire Marshal.

4 (b) The loan funds, subject to appropriation, shall be paid  
5 out of the Ambulance Revolving Loan Fund, a special fund in the  
6 State treasury. The Fund shall consist of any moneys  
7 transferred or appropriated into the Fund, as well as all  
8 repayments of loans made under the program. The Fund shall be  
9 used for loans to fire departments, fire protection districts,  
10 and non-profit ambulance services to purchase ambulances and to  
11 reimburse the Authority for all reasonable costs and expenses  
12 incurred in connection with administration of the ambulance  
13 revolving loan program including, without limitation,  
14 reimbursement for time spent by Authority staff ~~for no other~~  
15 ~~purpose~~. All interest earned on moneys in the Fund shall be  
16 deposited into the Fund.

17 (c) A loan for the purchase of ambulances may not exceed  
18 \$100,000 to any fire department, fire protection district, or  
19 non-profit ambulance service. The repayment period for the loan  
20 may not exceed 10 years. The fire department, fire protection  
21 district, or non-profit ambulance service` shall repay each  
22 year at least 5% of the principal amount borrowed or the  
23 remaining balance of the loan, whichever is less. All  
24 repayments of loans shall be deposited into the Ambulance  
25 Revolving Loan Fund.

26 (d) The Authority and the State Fire Marshal shall adopt

1 rules to administer the program.

2 (Source: P.A. 94-829, eff. 6-5-06.)

3 Section 99. Effective date. This Act takes effect upon  
4 becoming law.