

# HB1237



## 96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB1237

Introduced 2/18/2009, by Rep. Jack D. Franks

### SYNOPSIS AS INTRODUCED:

605 ILCS 10/17

from Ch. 121, par. 100-17

Amends the Toll Highway Act. Makes a technical change in a Section concerning bonds.

LRB096 10210 AJT 20378 b

A BILL FOR

1 AN ACT concerning transportation.

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

4 Section 5. The Toll Highway Act is amended by changing  
5 Section 17 as follows:

6 (605 ILCS 10/17) (from Ch. 121, par. 100-17)

7 Sec. 17. (a) The ~~The~~ Authority may from time to time issue  
8 bonds for any lawful purpose including, without limitation, the  
9 costs of issuance thereof and all such bonds or other  
10 obligations of the Authority issued pursuant to this Act shall  
11 be and are hereby declared to be negotiable for all purposes  
12 notwithstanding their payment from a limited source and without  
13 regard to any other law or laws.

14 (b) The bonds of every issue shall be payable solely out of  
15 revenues of the Authority, accumulated reserves or sinking  
16 funds, bond proceeds, proceeds of refunding bonds, or  
17 investment earnings as the Authority shall specify in a bond  
18 resolution.

19 (c) The bonds may be issued as serial bonds or as term  
20 bonds, or the Authority, in its discretion, may issue bonds of  
21 both types. The bonds shall be authorized by a bond resolution  
22 of the Authority, may be issued in one or more series and shall  
23 bear such date or dates, mature at such time or times not

1 exceeding 25 years from their respective date or dates of  
2 issue, bear interest at such rate or rates, fixed or variable,  
3 without regard to any limit contained in any other statute or  
4 law of the State of Illinois, be payable as to principal and  
5 interest at such time or times, be in such denominations, be in  
6 such form, either coupon or fully registered, carry such  
7 registration and conversion privileges, be payable in lawful  
8 money of the United States of America at such places, be  
9 subject to such terms of redemption and may contain such other  
10 terms and provisions, as such bond resolution or resolutions  
11 may provide. The bonds shall be executed by the manual or  
12 facsimile signatures of the Chairman and the Secretary. In case  
13 any of the officers whose signature appears on the bonds or  
14 coupons, if any, shall cease to be an officer before the  
15 delivery of such bonds, such signature shall nevertheless be  
16 valid and sufficient for all purposes, as if he had remained in  
17 office until such delivery. The bonds shall be sold in such  
18 manner as the Authority shall determine. The proceeds from the  
19 sale of such bonds shall be paid to the Treasurer of the State  
20 of Illinois as ex officio custodian. Pending preparation of the  
21 definitive bonds, the Authority may issue interim receipts or  
22 certificates which shall be exchanged for such definitive  
23 bonds.

24 (d) Any bond resolution, or trust indenture entered into  
25 pursuant to a bond resolution, may contain provisions, which  
26 shall be a part of the contract with the holders of the bonds

1 to be authorized, as to: (i) pledging or creating a lien upon  
2 all or part of the revenues of the Authority or any reserves,  
3 sinking funds, bond proceeds or investment earnings; (ii) the  
4 setting aside of reserves or sinking funds, and the regulation,  
5 investment and disposition thereof; (iii) the use and  
6 maintenance requirements for the toll highways; (iv) the  
7 purposes to which or the investments in which the proceeds of  
8 sale of any series or issue of bonds then or thereafter to be  
9 issued may be applied; (v) the issuance of additional bonds,  
10 the terms upon which additional bonds may be issued and  
11 secured, the purposes for such additional bonds, and the terms  
12 upon which additional bonds may rank on a parity with, or be  
13 subordinate or superior to other bonds; (vi) the refunding of  
14 outstanding bonds; (vii) the procedure, if any, by which the  
15 terms of any contract with bondholders may be amended or  
16 abrogated, the amount of bonds the holders of which must  
17 consent thereto, and the manner in which such consent may be  
18 given; (viii) defining the acts or omissions to act which shall  
19 constitute a default in the duties of the Authority to holders  
20 of its obligations and providing the rights and remedies of  
21 such holders in the event of a default; (ix) any other matters  
22 relating to the bonds which the Authority deems desirable.

23 (e) Neither the directors of the Authority nor any person  
24 executing the bonds shall be liable personally on the bonds or  
25 be subject to any personal liability or accountability by  
26 reason of the issuance thereof.

1           (f) The Authority shall have power out of any funds  
2 available therefor to purchase its bonds. The Authority may  
3 hold, pledge, cancel or resell such bonds subject to and in  
4 accordance with agreements with bondholders.

5           (g) In the discretion of the Authority any bonds issued  
6 under the provisions of this Act may be secured by a trust  
7 indenture by and between the Authority and a trustee or  
8 trustees, which may be any trust company or bank in the State  
9 of Illinois having the powers of a trust company and possessing  
10 capital and surplus of not less than \$50,000,000. The bond  
11 resolution or trust indenture providing for the issuance of  
12 bonds so secured shall pledge such revenues of the Authority,  
13 sinking funds, bond proceeds, or investment earnings as may be  
14 specified therein, may contain such provisions for protecting  
15 and enforcing the rights and remedies of the bondholders as may  
16 be reasonable and proper and not in violation of law, including  
17 particularly such provisions as have hereinabove been  
18 specifically authorized to be included in any bond resolution  
19 or trust indenture of the Authority, and may restrict the  
20 individual right of action by bondholders. In addition to the  
21 foregoing, any bond resolution or trust indenture may contain  
22 such other provisions as the Authority may deem reasonable and  
23 proper for the security of the bondholders, including, but not  
24 limited to, the purchase of bond insurance and the arrangement  
25 of letters of credit, lines of credit or other credit or  
26 liquidity enhancement facilities; provided there shall be no

1 pledge of the toll highway or any part thereof. All expenses  
2 incurred in carrying out the provisions of any bond resolution  
3 or trust indenture may be treated as a part of the cost of the  
4 operation of the toll highways.

5 (h) Bonds issued under the authority of this Act do not,  
6 and shall state upon the face of each bond that they do not,  
7 represent or constitute a debt of the Authority or of the State  
8 of Illinois within the meaning of any constitutional or  
9 statutory limitation or a pledge of the faith and credit of the  
10 Authority or the State of Illinois, or grant to the owners or  
11 holders thereof any right to have the Authority or the General  
12 Assembly levy any taxes or appropriate any funds for the  
13 payment of the principal thereof or interest thereon. Such  
14 bonds shall be payable and shall state that they are payable  
15 solely from the revenues and the sources authorized under this  
16 Act and pledged for their payment in accordance with the bond  
17 resolution or trust indenture.

18 Nothing in this Act shall be construed to authorize the  
19 Authority or any department, board, commission or other agency  
20 to create an obligation of the State of Illinois within the  
21 meaning of the Constitution or Statutes of Illinois.

22 (i) Any resolution or trust indenture authorizing the  
23 issuance of the bonds may include provision for the issuance of  
24 additional bonds. All resolutions of the Authority to carry  
25 such adopted bond resolutions into effect, to provide for the  
26 sale and delivery of the bonds, for letting of contracts for

1 the construction of toll highways and the acquisition of real  
2 and personal property deemed by the Authority necessary or  
3 convenient for the construction thereof, shall not require the  
4 approval of the Governor or of any other department, division,  
5 commission, bureau, board or other agency of the State.

6 (Source: P.A. 83-1258.)