

AN ACT concerning State government.

WHEREAS, The State of Illinois has a strategic interest in the operations of the Illinois International Port District and its Board, whose function is to develop the District's port and harbor facilities, issue construction permits, regulate the District's facilities and waterways, establish and operate foreign trade zones, and govern and administer all the District area within Chicago's corporate limits; and

WHEREAS, The Illinois International Port District is a very significant driver of freight movement and economic activity throughout the State of Illinois, including the downstate waterways and especially the Mississippi River and the Illinois River; and

WHEREAS, In 2010, cargo shipments at the Port of Chicago directly or indirectly supported 6,930 jobs and generated \$425,000,000 in revenue for Illinois firms, according to the Washington D.C.-based American Great Lakes Ports Association; and

WHEREAS, The Port of Chicago links rail and trucking lines with barges and ships supplying the Great Lakes and nearby rivers and handles an estimated 26,000,000 cargo tons annually throughout its 1,500 acre complex on the far south side, according to a recent estimate by a consortium of Great Lakes

shipping interests; and

WHEREAS, In 1978, the Capital Development Board provided funds to the Illinois International Port District as authorized by Section 13 of the Capital Development Board Act, which provides for repayment by the Illinois International Port District using a flexible formula based on specified levels of revenues and profits; and

WHEREAS, In the over 30 years since that payment from the Capital Development Board, the Illinois International Port District has never been required to make a single payment to the Capital Development Board because it has never reached the levels of revenues and profits that would require such payment; and

WHEREAS, The Capital Development Board annually certifies to the Illinois International Port District that it owes no payment for the year to the Capital Development Board; and

WHEREAS, It is virtually impossible that the Illinois International Port District will ever reach the level of revenues and profits that would require it to make a payment to the Capital Development Board; and

WHEREAS, In its financial statements for each year since at

least 2005, the Capital Development Board has "reserved" the entire amount lent to the Illinois International Port District, indicating that it does not expect any payments under the loan, and that non-payment of the loan would not require any future or present cash outlay by the Capital Development Board or the State; and

WHEREAS, For the reasons discussed above, the existence of this debt is of no value whatsoever to the State and serves only to limit the investment in the Port of Chicago and the amount of economic activity throughout Illinois water and rail lines; and

WHEREAS, Official forgiveness of the obligation from the Illinois International Port District to the Capital Development Board would benefit the entire State of Illinois by allowing greater investment in the State's waterways and freight facilities; therefore

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

Section 5. The Capital Development Board Act is amended by changing Section 13 as follows:

(20 ILCS 3105/13) (from Ch. 127, par. 783)

Sec. 13. The Board may provide cargo handling facilities and facilities designed for the movement of cargo to or from cargo handling facilities for the use of regional port districts. Pursuant to appropriations setting forth specific projects and regional port districts, the Board shall contract with the regional port district named in the Act making the appropriation for cargo handling facilities. Such contract shall provide that the regional port district shall remit to the State of Illinois an amount equal to not more than 20% of the gross receipts attributable to those facilities, and not less than 20% of the profit attributable to those facilities, whether collected by the regional port district or through an operator or other intermediary, until the full amount appropriated and expended by the State of Illinois has been remitted to the State. The exact amount of, the manner of, the method of and the time for such remittances shall be agreed upon by the particular port district and the Board acting through its Executive Director, and such agreement may, from time to time, be amended by the parties so as to alter or modify the amount of, manner of, method of and time for the remittance, including, but not limited to, the temporary forgiveness, suspension or delay of the remittances not to exceed 24 months for any single suspension or delay. The payback is subordinate solely to any outstanding public bond agreements existing at the time of the contract and solely for the period of time of the running of those bond agreements. For

any contract entered into under this Section, if, for a period of 25 years, a regional port district has not been required to remit any amount because the regional port district has failed to achieve the required level of profit, then the regional port district shall not be required to remit any amount under the contract.

This Section shall apply to all regional port district facilities to be constructed by the Board, including projects for which appropriations or reappropriations have been made prior to June 30, 1976, and to all contracts existing prior to the effective date of this amendatory Act of 1985 as well as contracts entered into on or after such date.

(Source: P.A. 84-781.)

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