

AN ACT concerning the Fire Truck Revolving Loan Program.

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

Section 5. The Illinois Finance Authority Act is amended by adding Section 825-80 as follows:

(20 ILCS 3501/825-80 new)

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

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loan program enacted as Section 3-27 of the Rural Bond Bank Act by Public Act 93-35, effective June 24, 2003, and repealed by Public Act 93-205, effective January 1, 2004.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

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

(c) The loan funds, subject to appropriation, shall be paid out of the Fire Truck Revolving Loan Fund, a special fund in the State Treasury. The Fund shall consist of any moneys transferred or appropriated into the Fund, as well as all repayments of loans made under the program and any balance existing in the Fund on the effective date of this Section. The Fund shall be used for loans to fire departments and fire protection districts to purchase fire trucks and for no other purpose. All interest earned on moneys in the Fund shall be deposited into the Fund.

(d) A loan for the purchase of fire trucks may not exceed \$250,000 to any fire department or fire protection district. The repayment period for the loan may not exceed 20 years. The

fire department or fire protection district shall repay each year at least 5% of the principal amount borrowed or the remaining balance of the loan, whichever is less. All repayments of loans shall be deposited into the Fire Truck Revolving Loan Fund.

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

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

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