



Sen. Scott M. Bennett

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10000SB2357sam001

LRB100 17880 AXK 40145 a

1 AMENDMENT TO SENATE BILL 2357

2 AMENDMENT NO. _____. Amend Senate Bill 2357 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State University Certificates of
5 Participation Act is amended by changing Sections 30 and 90 and
6 by adding Section 35 as follows:

7 (110 ILCS 73/30)

8 Sec. 30. Debt limit. The maximum annual debt service for a
9 State University's total outstanding certificate of
10 participation obligation must not exceed the following:

11 (1) For the University of Illinois, \$100,000,000.

12 (2) For Southern Illinois University, \$40,000,000
13 ~~\$20,000,000~~.

14 (3) For Northern Illinois University, \$40,000,000
15 ~~\$20,000,000~~.

16 (4) For Illinois State University, \$20,000,000

1 ~~\$10,000,000.~~

2 (5) For Western Illinois University, \$20,000,000

3 ~~\$10,000,000.~~

4 (6) For Eastern Illinois University, \$20,000,000

5 ~~\$10,000,000.~~

6 (7) For Northeastern Illinois University, \$10,000,000

7 ~~\$5,000,000.~~

8 (8) For Chicago State University, \$10,000,000

9 ~~\$5,000,000.~~

10 (9) For Governors State University, \$10,000,000

11 ~~\$5,000,000.~~

12 (Source: P.A. 96-15, eff. 6-22-09.)

13 (110 ILCS 73/35 new)

14 Sec. 35. Certificates of participation for capital
15 improvements.

16 (a) The power of the Board of any State University to enter
17 into contracts shall include the power to enter into financing
18 agreements in connection with the financing of capital
19 improvements, including technology or other related
20 improvements, by selling certificates of participation in the
21 installment payments made under the financing agreements.
22 These financing agreements may be entered into for any period
23 of time not to exceed 30 years, but may not to exceed the
24 useful life of the capital improvement.

25 (b) Upon determination by the Board to undertake a

1 transaction for the sale of certificates of participation and
2 to enter into related financing agreements in connection with
3 the financing of capital improvements, the Board shall adopt a
4 resolution or resolutions describing generally the
5 contemplated facilities or a combination of facilities
6 designated as the project, the estimated costs of the project,
7 and any additional relevant information.

8 (c) Before the issuance of any certificate of
9 participation, the Board or its representative shall appear
10 before the Commission and present the details of the proposal.
11 This presentation shall include any information the Commission
12 requests in relation to the proposed certificate of
13 participation issuance. This information shall include, but is
14 not limited to, the amount being financed, the nature of the
15 project being financed, the proposed funding stream to pay for
16 the certificate issuance, the current outstanding indebtedness
17 of the State University, and the status of all currently issued
18 certificates of participation.

19 Upon receipt of a request by the Board for a certificate of
20 participation presentation, the Commission shall hold a public
21 hearing and, upon adoption by a vote of the majority of
22 appointed members, issue a record of its findings no later than
23 60 days after the request.

24 As part of the Commission's considerations and findings,
25 the Commission shall consider the effect the issuance of a
26 certificate of participation shall have on the State

1 University's annual debt service and overall fiscal condition.
2 The Commission's findings must include a statement in which the
3 Commission makes a recommendation to the Board as to how to
4 proceed with the certificate of participation issuance. The
5 recommendation shall be (i) "favorably recommended", (ii)
6 "recommended with concerns", or (iii) "non-support of
7 issuance". The Commission shall report the findings no later
8 than 15 days after the hearing to all of the following:

9 (1) The Speaker of the House of Representatives.

10 (2) The Minority Leader of the House of
11 Representatives.

12 (3) The President of the Senate.

13 (4) The Minority Leader of the Senate.

14 (5) The Governor's Office of Management and Budget.

15 (6) The President of the State University.

16 The reports to the General Assembly shall be filed with the
17 Clerk of the House of Representatives and the Secretary of the
18 Senate in electronic form only, in the manner that the Clerk
19 and the Secretary shall direct.

20 Upon a finding of "non-support of issuance", the Board may
21 not proceed with the issuance of the certificate of
22 participation involved in the finding without the approval of
23 the General Assembly through the adoption of a joint
24 resolution.

25 (d) Each year, upon receipt of its external Auditor General
26 audit report, the Board shall file with the Commission a report

1 containing the status of all outstanding certificates of
2 participation the Board has issued and a copy of the annual
3 budget as approved by the Board.

4 (e) Each issuance of a certificate of participation shall
5 include within the appropriate documents related to its
6 execution the following statement, which sets forth required
7 limitations in relation to the certificate:

8 "The Board of Trustees' obligation to make payments
9 does not constitute a debt of the Board or the State of
10 Illinois within the meaning of any constitutional or
11 statutory limitation. The installment payments required by
12 certificates of participation incurred by the Board of
13 Trustees are not secured by the full faith and credit of
14 the State, are not required to be repaid, and may not be
15 repaid, directly or indirectly, from tax revenue."

16 (f) The maximum annual debt service for the Board's total
17 certificate of participation obligation must not exceed
18 \$100,000,000.

19 (g) Nothing in this Section authorizes the Board to incur
20 State debt, as defined under subsection (a) of Section 9 of
21 Article IX of the Illinois Constitution.

22 (110 ILCS 73/90)

23 Sec. 90. Expiration of Act. This Act applies until December
24 31, 2028 ~~2014~~. However, the refunding of certificates of
25 participation issued prior to December 31, 2028 ~~2014~~ in

1 accordance with the Act is permitted.

2 (Source: P.A. 96-15, eff. 6-22-09.)

3 (110 ILCS 73/10 rep.)

4 (110 ILCS 73/15 rep.)

5 (110 ILCS 73/20 rep.)

6 (110 ILCS 73/25 rep.)

7 Section 10. The State University Certificates of
8 Participation Act is amended by repealing Sections 10, 15, 20,
9 and 25.

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