

1 AN ACT concerning local government.

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

4 Section 5. The Quad Cities Regional Economic Development
5 Authority Act, approved September 22, 1987 is amended by
6 changing Section 9 as follows:

7 (70 ILCS 510/9) (from Ch. 85, par. 6209)

8 Sec. 9. Bonds and notes. (a) (1) The Authority may, with the
9 written approval of the Governor, at any time and from time to
10 time, issue bonds and notes for any corporate purpose,
11 including the establishment of reserves and the payment of
12 interest. In this Act the term "bonds" includes notes of any
13 kind, interim certificates, refunding bonds or any other
14 evidence of obligation.

15 (2) The bonds of any issue shall be payable solely from the
16 property or receipts of the Authority, including, without
17 limitation:

18 (I) fees, charges or other revenues payable to the
19 Authority;

20 (II) payments by financial institutions, insurance
21 companies, or others pursuant to letters or lines of credit,
22 policies of insurance, or purchase agreements;

23 (III) investment earnings from funds or accounts

1 maintained pursuant to a bond resolution or trust agreement;
2 and

3 (IV) proceeds of refunding bonds.

4 (3) Bonds shall be authorized by a resolution of the
5 Authority and may be secured by a trust agreement by and
6 between the Authority and a corporate trustee or trustees,
7 which may be any trust company or bank having the powers of a
8 trust company within or without the State. Bonds shall:

9 (I) be issued at, above or below par value, for cash or
10 other valuable consideration, and mature at time or times,
11 whether as serial bonds or as term bonds or both, not exceeding
12 40 years from their respective date of issue; however, the
13 length of the term of the bond should bear a reasonable
14 relationship to the value life of the item financed;

15 (II) bear interest at the fixed or variable rate or rates
16 determined by the method provided in the resolution or trust
17 agreement;

18 (III) be payable at a time or times, in the denominations
19 and form, either coupon or registered or both, and carry the
20 registration and privileges as to conversion and for the
21 replacement of mutilated, lost or destroyed bonds as the
22 resolution or trust agreement may provide;

23 (IV) be payable in lawful money of the United States at a
24 designated place;

25 (V) be subject to the terms of purchase, payment,
26 redemption, refunding or refinancing that the resolution or

1 trust agreement provides;

2 (VI) be executed by the manual or facsimile signatures of
3 the officers of the Authority designated by the Authority,
4 which signatures shall be valid at delivery even for one who
5 has ceased to hold office; and

6 (VII) be sold in the manner and upon the terms determined
7 by the Authority.

8 (b) Any resolution or trust agreement may contain
9 provisions which shall be a part of the contract with the
10 holders of the bonds as to:

11 (1) pledging, assigning or directing the use, investment or
12 disposition of receipts of the Authority or proceeds or
13 benefits of any contract and conveying or otherwise securing
14 any property or property rights;

15 (2) the setting aside of loan funding deposits, debt
16 service reserves, capitalized interest accounts, cost of
17 issuance accounts and sinking funds, and the regulations,
18 investment and disposition thereof;

19 (3) limitations on the purpose to which or the investments
20 in which the proceeds of sale of any issue of bonds may be
21 applied and restrictions to investment of revenues or bond
22 proceeds in government obligations for which principal and
23 interest are unconditionally guaranteed by the United States of
24 America;

25 (4) limitations on the issue of additional bonds, the terms
26 upon which additional bonds may be issued and secured, the

1 terms upon which additional bonds may rank on a parity with, or
2 be subordinate or superior to, other bonds;

3 (5) the refunding or refinancing of outstanding bonds;

4 (6) the procedure, if any, by which the terms of any
5 contract with bondholders may be altered or amended and the
6 amount of bonds and holders of which must consent thereto, and
7 the manner in which consent shall be given;

8 (7) defining the acts or omissions which shall constitute a
9 default in the duties of the Authority to holders of bonds and
10 providing the rights or remedies of such holders in the event
11 of a default which may include provisions restricting
12 individual right of action by bondholders;

13 (8) providing for guarantees, pledges of property, letters
14 of credit, or other security, or insurance for the benefit of
15 bondholders; and

16 (9) any other matter relating to the bonds which the
17 Authority determines appropriate.

18 (c) No member of the Authority nor any person executing the
19 bonds shall be liable personally on the bonds or subject to any
20 personal liability by reason of the issuance of the bonds.

21 (d) The Authority may enter into agreements with agents,
22 banks, insurers or others for the purpose of enhancing the
23 marketability of or as security for its bonds.

24 (e) (1) A pledge by the Authority of revenues as security
25 for an issue of bonds shall be valid and binding from the time
26 when the pledge is made.

1 (2) The revenues pledged shall immediately be subject to
2 the lien of the pledge without any physical delivery or further
3 act, and the lien of any pledge shall be valid and binding
4 against any person having any claim of any kind in tort,
5 contract or otherwise against the Authority, irrespective of
6 whether the person has notice.

7 (3) No resolution, trust agreement or financing statement,
8 continuation statement, or other instrument adopted or entered
9 into by the Authority need be filed or recorded in any public
10 record other than the records of the authority in order to
11 perfect the lien against third persons, regardless of any
12 contrary provision of law.

13 (f) The Authority may issue bonds to refund any of its
14 bonds then outstanding, including the payment of any redemption
15 premium and any interest accrued or to accrue to the earliest
16 or any subsequent date of redemption, purchase or maturity of
17 the bonds. Refunding bonds may be issued for the public
18 purposes of realizing savings in the effective costs of debt
19 service, directly or through a debt restructuring, for
20 alleviating impending or actual default and may be issued in
21 one or more series in an amount in excess of that of the bonds
22 to be refunded.

23 (g) Bonds or notes of the Authority may be sold by the
24 Authority through the process of competitive bid or negotiated
25 sale.

26 (h) At no time shall the total outstanding bonds and notes

1 of the Authority exceed \$250 ~~\$100~~ million.

2 (i) The bonds and notes of the Authority shall not be debts
3 of the State.

4 (j) In no event may proceeds of bonds or notes issued by
5 the Authority be used to finance any structure which is not
6 constructed pursuant to an agreement between the Authority and
7 a party, which provides for the delivery by the party of a
8 completed structure constructed pursuant to a fixed price
9 contract, and which provides for the delivery of such structure
10 at such fixed price to be insured or guaranteed by a third
11 party determined by the Authority to be capable of completing
12 construction of such a structure.

13 (Source: P.A. 85-713.)

14 Section 10. The Quad Cities Regional Economic Development
15 Authority Act, certified December 30, 1987 is amended by
16 changing Section 9 as follows:

17 (70 ILCS 515/9) (from Ch. 85, par. 6509)

18 Sec. 9. Bonds and notes. (a) (1) The Authority may, with the
19 written approval of the Governor, at any time and from time to
20 time, issue bonds and notes for any corporate purpose,
21 including the establishment of reserves and the payment of
22 interest. In this Act the term "bonds" includes notes of any
23 kind, interim certificates, refunding bonds or any other
24 evidence of obligation.

1 (2) The bonds of any issue shall be payable solely from the
2 property or receipts of the Authority, including, without
3 limitation:

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5 Authority;

6 (II) payments by financial institutions, insurance
7 companies, or others pursuant to letters or lines of credit,
8 policies of insurance, or purchase agreements;

9 (III) investment earnings from funds or accounts
10 maintained pursuant to a bond resolution or trust agreement;
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13 (3) Bonds shall be authorized by a resolution of the
14 Authority and may be secured by a trust agreement by and
15 between the Authority and a corporate trustee or trustees,
16 which may be any trust company or bank having the powers of a
17 trust company within or without the State. Bonds shall:

18 (I) be issued at, above or below par value, for cash or
19 other valuable consideration, and mature at time or times,
20 whether as serial bonds or as term bonds or both, not exceeding
21 40 years from their respective date of issue; however, the
22 length of the term of the bond should bear a reasonable
23 relationship to the value life of the item financed;

24 (II) bear interest at the fixed or variable rate or rates
25 determined by the method provided in the resolution or trust
26 agreement;

1 (III) be payable at a time or times, in the denominations
2 and form, either coupon or registered or both, and carry the
3 registration and privileges as to conversion and for the
4 replacement of mutilated, lost or destroyed bonds as the
5 resolution or trust agreement may provide;

6 (IV) be payable in lawful money of the United States at a
7 designated place;

8 (V) be subject to the terms of purchase, payment,
9 redemption, refunding or refinancing that the resolution or
10 trust agreement provides;

11 (VI) be executed by the manual or facsimile signatures of
12 the officers of the Authority designated by the Authority,
13 which signatures shall be valid at delivery even for one who
14 has ceased to hold office; and

15 (VII) be sold in the manner and upon the terms determined
16 by the Authority.

17 (b) Any resolution or trust agreement may contain
18 provisions which shall be a part of the contract with the
19 holders of the bonds as to:

20 (1) pledging, assigning or directing the use, investment or
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23 any property or property rights;

24 (2) the setting aside of loan funding deposits, debt
25 service reserves, capitalized interest accounts, cost of
26 issuance accounts and sinking funds, and the regulations,

1 investment and disposition thereof;

2 (3) limitations on the purpose to which or the investments
3 in which the proceeds of sale of any issue of bonds may be
4 applied and restrictions to investment of revenues or bond
5 proceeds in government obligations for which principal and
6 interest are unconditionally guaranteed by the United States of
7 America;

8 (4) limitations on the issue of additional bonds, the terms
9 upon which additional bonds may be issued and secured, the
10 terms upon which additional bonds may rank on a parity with, or
11 be subordinate or superior to, other bonds;

12 (5) the refunding or refinancing of outstanding bonds;

13 (6) the procedure, if any, by which the terms of any
14 contract with bondholders may be altered or amended and the
15 amount of bonds and holders of which must consent thereto, and
16 the manner in which consent shall be given;

17 (7) defining the acts or omissions which shall constitute a
18 default in the duties of the Authority to holders of bonds and
19 providing the rights or remedies of such holders in the event
20 of a default which may include provisions restricting
21 individual right of action by bondholders;

22 (8) providing for guarantees, pledges of property, letters
23 of credit, or other security, or insurance for the benefit of
24 bondholders; and

25 (9) any other matter relating to the bonds which the
26 Authority determines appropriate.

1 (c) No member of the Authority nor any person executing the
2 bonds shall be liable personally on the bonds or subject to any
3 personal liability by reason of the issuance of the bonds.

4 (d) The Authority may enter into agreements with agents,
5 banks, insurers or others for the purpose of enhancing the
6 marketability of or as security for its bonds.

7 (e) (1) A pledge by the Authority of revenues as security
8 for an issue of bonds shall be valid and binding from the time
9 when the pledge is made.

10 (2) The revenues pledged shall immediately be subject to
11 the lien of the pledge without any physical delivery or further
12 act, and the lien of any pledge shall be valid and binding
13 against any person having any claim of any kind in tort,
14 contract or otherwise against the Authority, irrespective of
15 whether the person has notice.

16 (3) No resolution, trust agreement or financing statement,
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2 service, directly or through a debt restructuring, for
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15 constructed pursuant to an agreement between the Authority and
16 a party, which provides for the delivery by the party of a
17 completed structure constructed pursuant to a fixed price
18 contract, and which provides for the delivery of such structure
19 at such fixed price to be insured or guaranteed by a third
20 party determined by the Authority to be capable of completing
21 construction of such a structure.

22 (Source: P.A. 85-988.)

23 (70 ILCS 510/9.1 rep.)

24 Section 15. The Quad Cities Regional Economic Development
25 Authority Act, approved September 22, 1987 is amended by

1 repealing Section 9.1.

2 (70 ILCS 515/9.1 rep.)

3 Section 20. The Quad Cities Regional Economic Development
4 Authority Act, certified December 30, 1987 is amended by
5 repealing Section 9.1.