

# SB3413



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

SB3413

Introduced 2/10/2010, by Sen. Bill Brady

#### SYNOPSIS AS INTRODUCED:

30 ILCS 330/11  
30 ILCS 425/8

from Ch. 127, par. 661  
from Ch. 127, par. 2808

Amends the General Obligation Bond Act and Build Illinois Bond Act. Removes provisions authorizing the sale of bonds by negotiated sale. Eliminates certain provisions relating to compliance with the competitive request for proposal process set forth in the Illinois Procurement Code. Effective immediately.

LRB096 17785 RCE 33152 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 5. The General Obligation Bond Act is amended by  
5 changing Section 11 as follows

6 (30 ILCS 330/11) (from Ch. 127, par. 661)

7 Sec. 11. Sale of Bonds. ~~Except as otherwise provided in~~  
8 ~~this Section,~~ Bonds shall be sold from time to time pursuant to  
9 notice of sale and public bid ~~or by negotiated sale~~ in such  
10 amounts and at such times as is directed by the Governor, upon  
11 recommendation by the Director of the Governor's Office of  
12 Management and Budget. ~~At least 25%, based on total principal~~  
13 ~~amount, of all Bonds issued each fiscal year shall be sold~~  
14 ~~pursuant to notice of sale and public bid. At all times during~~  
15 ~~each fiscal year, no more than 75%, based on total principal~~  
16 ~~amount, of the Bonds issued each fiscal year, shall have been~~  
17 ~~sold by negotiated sale. Failure to satisfy the requirements in~~  
18 ~~the preceding 2 sentences shall not affect the validity of any~~  
19 ~~previously issued Bonds; provided that all Bonds authorized by~~  
20 ~~this amendatory Act of the 96th General Assembly shall not be~~  
21 ~~included in determining compliance for any fiscal year with the~~  
22 ~~requirements of the preceding 2 sentences; and further provided~~  
23 ~~that refunding Bonds satisfying the requirements of Section 16~~

1 ~~of this Act and sold during fiscal year 2009, 2010, or 2011~~  
2 ~~shall not be subject to the requirements in the preceding 2~~  
3 ~~sentences.~~

4 ~~If any Bonds, including refunding Bonds, are to be sold by~~  
5 ~~negotiated sale, the Director of the Governor's Office of~~  
6 ~~Management and Budget shall comply with the competitive request~~  
7 ~~for proposal process set forth in the Illinois Procurement Code~~  
8 ~~and all other applicable requirements of that Code.~~

9 ~~The~~ If Bonds are to be sold pursuant to notice of sale and  
10 ~~public bid,~~ the Director of the Governor's Office of Management  
11 and Budget shall, from time to time, as Bonds are to be sold,  
12 advertise the sale of the Bonds in at least 2 daily newspapers,  
13 one of which is published in the City of Springfield and one in  
14 the City of Chicago. The sale of the Bonds shall also be  
15 advertised in the volume of the Illinois Procurement Bulletin  
16 that is published by the Department of Central Management  
17 Services. Each of the advertisements for proposals shall be  
18 published once at least 10 days prior to the date fixed for the  
19 opening of the bids. The Director of the Governor's Office of  
20 Management and Budget may reschedule the date of sale upon the  
21 giving of such additional notice as the Director deems adequate  
22 to inform prospective bidders of such change; provided,  
23 however, that all other conditions of the sale shall continue  
24 as originally advertised.

25 Executed Bonds shall, upon payment therefor, be delivered  
26 to the purchaser, and the proceeds of Bonds shall be paid into

1 the State Treasury as directed by Section 12 of this Act.

2 (Source: P.A. 96-18, eff. 6-26-09; 96-43, eff. 7-15-09.)

3 Section 10. The Build Illinois Bond Act is amended by  
4 changing Section 8 as follows:

5 (30 ILCS 425/8) (from Ch. 127, par. 2808)

6 Sec. 8. Sale of Bonds. Bonds, ~~except as otherwise provided~~  
7 ~~in this Section,~~ shall be sold from time to time pursuant to  
8 notice of sale and public bid ~~or by negotiated sale~~ in such  
9 amounts and at such times as are directed by the Governor, upon  
10 recommendation by the Director of the Governor's Office of  
11 Management and Budget. ~~At least 25%, based on total principal~~  
12 ~~amount, of all Bonds issued each fiscal year shall be sold~~  
13 ~~pursuant to notice of sale and public bid. At all times during~~  
14 ~~each fiscal year, no more than 75%, based on total principal~~  
15 ~~amount, of the Bonds issued each fiscal year shall have been~~  
16 ~~sold by negotiated sale. Failure to satisfy the requirements in~~  
17 ~~the preceding 2 sentences shall not affect the validity of any~~  
18 ~~previously issued Bonds; and further provided that refunding~~  
19 ~~Bonds satisfying the requirements of Section 15 of this Act and~~  
20 ~~sold during fiscal year 2009, 2010, or 2011 shall not be~~  
21 ~~subject to the requirements in the preceding 2 sentences.~~

22 ~~If any Bonds are to be sold pursuant to notice of sale and~~  
23 ~~public bid, the Director of the Governor's Office of Management~~  
24 ~~and Budget shall comply with the competitive request for~~

1 ~~proposal process set forth in the Illinois Procurement Code and~~  
2 ~~all other applicable requirements of that Code.~~

3 The ~~If Bonds are to be sold pursuant to notice of sale and~~  
4 ~~public bid,~~ the Director of the Governor's Office of Management  
5 and Budget shall, from time to time, as Bonds are to be sold,  
6 advertise the sale of the Bonds in at least 2 daily newspapers,  
7 one of which is published in the City of Springfield and one in  
8 the City of Chicago. The sale of the Bonds shall also be  
9 advertised in the volume of the Illinois Procurement Bulletin  
10 that is published by the Department of Central Management  
11 Services. Each of the advertisements for proposals shall be  
12 published once at least 10 days prior to the date fixed for the  
13 opening of the bids. The Director of the Governor's Office of  
14 Management and Budget may reschedule the date of sale upon the  
15 giving of such additional notice as the Director deems adequate  
16 to inform prospective bidders of the change; provided, however,  
17 that all other conditions of the sale shall continue as  
18 originally advertised. Executed Bonds shall, upon payment  
19 therefor, be delivered to the purchaser, and the proceeds of  
20 Bonds shall be paid into the State Treasury as directed by  
21 Section 9 of this Act. The Governor or the Director of the  
22 Governor's Office of Management and Budget is hereby authorized  
23 and directed to execute and deliver contracts of sale with  
24 underwriters and to execute and deliver such certificates,  
25 indentures, agreements and documents, including any  
26 supplements or amendments thereto, and to take such actions and

1 do such things as shall be necessary or desirable to carry out  
2 the purposes of this Act. Any action authorized or permitted to  
3 be taken by the Director of the Governor's Office of Management  
4 and Budget pursuant to this Act is hereby authorized to be  
5 taken by any person specifically designated by the Governor to  
6 take such action in a certificate signed by the Governor and  
7 filed with the Secretary of State.

8 (Source: P.A. 96-18, eff. 6-26-09.)

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