

SB1001



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB1001

Introduced 2/8/2011, by Sen. John J. Cullerton

SYNOPSIS AS INTRODUCED:

605 ILCS 10/17

from Ch. 121, par. 100-17

Amends the Toll Highway Act. Makes a technical change in a Section concerning bonds.

LRB097 04689 HEP 44728 b

A BILL FOR

1 AN ACT concerning transportation.

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

4 Section 5. The Toll Highway Act is amended by changing
5 Section 17 as follows:

6 (605 ILCS 10/17) (from Ch. 121, par. 100-17)

7 Sec. 17. (a) The ~~The~~ Authority may from time to time issue
8 bonds for any lawful purpose including, without limitation, the
9 costs of issuance thereof and all such bonds or other
10 obligations of the Authority issued pursuant to this Act shall
11 be and are hereby declared to be negotiable for all purposes
12 notwithstanding their payment from a limited source and without
13 regard to any other law or laws.

14 (b) The bonds of every issue shall be payable solely out of
15 revenues of the Authority, accumulated reserves or sinking
16 funds, bond proceeds, proceeds of refunding bonds, or
17 investment earnings as the Authority shall specify in a bond
18 resolution.

19 (c) The bonds may be issued as serial bonds or as term
20 bonds, or the Authority, in its discretion, may issue bonds of
21 both types. The bonds shall be authorized by a bond resolution
22 of the Authority, may be issued in one or more series and shall
23 bear such date or dates, mature at such time or times not

1 exceeding 25 years from their respective date or dates of
2 issue, bear interest at such rate or rates, fixed or variable,
3 without regard to any limit contained in any other statute or
4 law of the State of Illinois, be payable as to principal and
5 interest at such time or times, be in such denominations, be in
6 such form, either coupon or fully registered, carry such
7 registration and conversion privileges, be payable in lawful
8 money of the United States of America at such places, be
9 subject to such terms of redemption and may contain such other
10 terms and provisions, as such bond resolution or resolutions
11 may provide. The bonds shall be executed by the manual or
12 facsimile signatures of the Chairman and the Secretary. In case
13 any of the officers whose signature appears on the bonds or
14 coupons, if any, shall cease to be an officer before the
15 delivery of such bonds, such signature shall nevertheless be
16 valid and sufficient for all purposes, as if he had remained in
17 office until such delivery. The bonds shall be sold in such
18 manner as the Authority shall determine. The proceeds from the
19 sale of such bonds shall be paid to the Treasurer of the State
20 of Illinois as ex officio custodian. Pending preparation of the
21 definitive bonds, the Authority may issue interim receipts or
22 certificates which shall be exchanged for such definitive
23 bonds.

24 (d) Any bond resolution, or trust indenture entered into
25 pursuant to a bond resolution, may contain provisions, which
26 shall be a part of the contract with the holders of the bonds

1 to be authorized, as to: (i) pledging or creating a lien upon
2 all or part of the revenues of the Authority or any reserves,
3 sinking funds, bond proceeds or investment earnings; (ii) the
4 setting aside of reserves or sinking funds, and the regulation,
5 investment and disposition thereof; (iii) the use and
6 maintenance requirements for the toll highways; (iv) the
7 purposes to which or the investments in which the proceeds of
8 sale of any series or issue of bonds then or thereafter to be
9 issued may be applied; (v) the issuance of additional bonds,
10 the terms upon which additional bonds may be issued and
11 secured, the purposes for such additional bonds, and the terms
12 upon which additional bonds may rank on a parity with, or be
13 subordinate or superior to other bonds; (vi) the refunding of
14 outstanding bonds; (vii) the procedure, if any, by which the
15 terms of any contract with bondholders may be amended or
16 abrogated, the amount of bonds the holders of which must
17 consent thereto, and the manner in which such consent may be
18 given; (viii) defining the acts or omissions to act which shall
19 constitute a default in the duties of the Authority to holders
20 of its obligations and providing the rights and remedies of
21 such holders in the event of a default; (ix) any other matters
22 relating to the bonds which the Authority deems desirable.

23 (e) Neither the directors of the Authority nor any person
24 executing the bonds shall be liable personally on the bonds or
25 be subject to any personal liability or accountability by
26 reason of the issuance thereof.

1 (f) The Authority shall have power out of any funds
2 available therefor to purchase its bonds. The Authority may
3 hold, pledge, cancel or resell such bonds subject to and in
4 accordance with agreements with bondholders.

5 (g) In the discretion of the Authority any bonds issued
6 under the provisions of this Act may be secured by a trust
7 indenture by and between the Authority and a trustee or
8 trustees, which may be any trust company or bank in the State
9 of Illinois having the powers of a trust company and possessing
10 capital and surplus of not less than \$50,000,000. The bond
11 resolution or trust indenture providing for the issuance of
12 bonds so secured shall pledge such revenues of the Authority,
13 sinking funds, bond proceeds, or investment earnings as may be
14 specified therein, may contain such provisions for protecting
15 and enforcing the rights and remedies of the bondholders as may
16 be reasonable and proper and not in violation of law, including
17 particularly such provisions as have hereinabove been
18 specifically authorized to be included in any bond resolution
19 or trust indenture of the Authority, and may restrict the
20 individual right of action by bondholders. In addition to the
21 foregoing, any bond resolution or trust indenture may contain
22 such other provisions as the Authority may deem reasonable and
23 proper for the security of the bondholders, including, but not
24 limited to, the purchase of bond insurance and the arrangement
25 of letters of credit, lines of credit or other credit or
26 liquidity enhancement facilities; provided there shall be no

1 pledge of the toll highway or any part thereof. All expenses
2 incurred in carrying out the provisions of any bond resolution
3 or trust indenture may be treated as a part of the cost of the
4 operation of the toll highways.

5 (h) Bonds issued under the authority of this Act do not,
6 and shall state upon the face of each bond that they do not,
7 represent or constitute a debt of the Authority or of the State
8 of Illinois within the meaning of any constitutional or
9 statutory limitation or a pledge of the faith and credit of the
10 Authority or the State of Illinois, or grant to the owners or
11 holders thereof any right to have the Authority or the General
12 Assembly levy any taxes or appropriate any funds for the
13 payment of the principal thereof or interest thereon. Such
14 bonds shall be payable and shall state that they are payable
15 solely from the revenues and the sources authorized under this
16 Act and pledged for their payment in accordance with the bond
17 resolution or trust indenture.

18 Nothing in this Act shall be construed to authorize the
19 Authority or any department, board, commission or other agency
20 to create an obligation of the State of Illinois within the
21 meaning of the Constitution or Statutes of Illinois.

22 (i) Any resolution or trust indenture authorizing the
23 issuance of the bonds may include provision for the issuance of
24 additional bonds. All resolutions of the Authority to carry
25 such adopted bond resolutions into effect, to provide for the
26 sale and delivery of the bonds, for letting of contracts for

1 the construction of toll highways and the acquisition of real
2 and personal property deemed by the Authority necessary or
3 convenient for the construction thereof, shall not require the
4 approval of the Governor or of any other department, division,
5 commission, bureau, board or other agency of the State.

6 (Source: P.A. 83-1258.)