



Sen. Terry Link

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09800SB2305sam001

LRB098 10748 NHT 43968 a

1 AMENDMENT TO SENATE BILL 2305

2 AMENDMENT NO. _____. Amend Senate Bill 2305 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Public Community College Act is amended by
5 adding Section 3-42.4 as follows:

6 (110 ILCS 805/3-42.4 new)

7 Sec. 3-42.4. New jobs training.

8 (a) In this Section:

9 "Agreement" means the agreement between an employer and a
10 board concerning a project.

11 "Bonds" means bonds that are payable from a sufficient
12 portion of the future receipts of payments authorized by an
13 agreement, which receipts must be pledged to the payment of
14 principal of and interest on the bonds.

15 "Certificate" means debt certificates that are payable
16 from a sufficient portion of the future receipts of payments

1 authorized by an agreement, which receipts must be pledged to
2 the payment of principal of and interest on the debt
3 certificates.

4 "Date of commencement of the project" means the date of the
5 agreement.

6 "Employee" means the person employed in a new job.

7 "Employer" means the person providing new jobs within the
8 boundaries of the community college district and entering into
9 an agreement.

10 "Industry" means a business engaged in interstate or
11 intrastate commerce for the purpose of manufacturing,
12 processing, or assembling products, conducting research and
13 development, or providing services in interstate commerce, but
14 excludes retail, health, or professional services. "Industry"
15 does not include a business that closes or substantially
16 reduces its operation in one area of this State and relocates
17 substantially the same operation in another area of this State.
18 This definition does not prohibit a business from expanding its
19 operations in another area of this State, provided that
20 existing operations of a similar nature are not closed or
21 substantially reduced.

22 "New job" means a job in a new or expanding industry, but
23 does not include jobs of recalled workers or replacement jobs
24 or other jobs that formerly existed in the industry in this
25 State.

26 "New jobs training program" or "program" means the project

1 or projects established by a community college district for the
2 creation of jobs by providing education and training of workers
3 for new jobs for new or expanding industry within the
4 boundaries of the community college district.

5 "Program costs" means all necessary and incidental costs of
6 providing program services.

7 "Program services" includes without limitation the
8 following:

9 (1) New jobs training.

10 (2) Adult basic education and job-related instruction.

11 (3) Vocational and skill-assessment services and
12 testing.

13 (4) Training facilities, equipment, materials, and
14 supplies.

15 (5) On-the-job training.

16 (6) Administrative expenses for the new jobs training
17 program.

18 (7) Subcontracted services with public or private
19 colleges or universities or other federal, State, or local
20 agencies.

21 (8) Contracted or professional services.

22 (9) The issuance of certificates.

23 "Project" means a training arrangement that is the subject
24 of an agreement entered into between the board and an employer
25 to provide program services.

26 (b) A board may enter into an agreement to establish a

1 project. If an agreement is entered into, the board and the
2 employer shall notify the State Board as soon as possible. An
3 agreement shall provide for program costs, including deferred
4 costs, that may be paid from one or a combination of the
5 following sources:

6 (1) Property taxes to be received or derived from an
7 employer's business property where new jobs are created as
8 a result of the project.

9 (2) Tuition, student fees, or special charges fixed by
10 the board to defray program costs in whole or in part.

11 (3) Guarantee of payments to be received under item (1)
12 or (2) of this subsection (b).

13 (c) Payment of program costs must not be deferred for a
14 period longer than 10 years from the date of commencement of
15 the project.

16 (d) Costs of on-the-job training for employees must not
17 exceed 50% of the annual gross payroll costs for up to one year
18 of the new jobs. For purposes of this subsection (d), "gross
19 payroll" means the gross wages, salaries, and benefits for the
20 jobs-in-training in the project.

21 (e) An agreement shall include a provision that fixes the
22 minimum amount of property taxes or tuition and fee payments
23 that shall be paid for program costs.

24 (f) To provide funds for the present payment of the costs
25 of a new jobs training program, the board may borrow money and
26 issue and sell debt certificates or bonds payable from a

1 sufficient portion of the future receipts of payments
2 authorized by the agreement. The receipts shall be pledged to
3 the payment of principal of and interest on the debt
4 certificates or bonds.

5 (g) Certificates or bonds may be sold at public sale or at
6 private sale at par, premium, or discount at the discretion of
7 the board.

8 (h) Certificates or bonds may be issued with respect to a
9 single project or multiple projects and may contain terms or
10 conditions as the board may provide by resolution authorizing
11 the issuance of the certificates or bonds.

12 (i) Certificates or bonds issued to refund other
13 certificates or bonds may be sold at public sale or at private
14 sale as provided in this Section, with the proceeds from the
15 sale to be used for the payment of the debt certificates or
16 bonds being refunded. The refunding debt certificates or bonds
17 may be exchanged in payment and discharge of the certificates
18 or bonds being refunded, in installments at different times or
19 an entire issue or series at one time. Refunding certificates
20 or bonds may be sold or exchanged at any time on, before, or
21 after the maturity of the outstanding certificates or bonds to
22 be refunded, may be issued for the purpose of refunding a like,
23 greater, or lesser principal amount of certificates or bonds,
24 and may bear a higher, lower, or equivalent rate of interest
25 than the certificates or bonds being renewed or refunded.

26 (j) To further secure the payment of the debt certificates

1 or bonds, the board shall, by resolution, provide for the
2 assessment of an annual levy of a standby tax upon all taxable
3 property within the community college district. A copy of the
4 resolution shall be sent to the county clerk of each county in
5 which the community college district is located. The revenues
6 from the standby tax shall be deposited into a special fund and
7 shall be expended only for the payment of principal of and
8 interest on the certificates or bonds issued as provided in
9 this Section, when the receipt of payment for program costs as
10 provided in the agreement is insufficient. If payments are
11 necessary and made from the special fund, the amount of the
12 payments shall be promptly repaid into the special fund from
13 the first available payments received for program costs as
14 provided in the agreement that are not required for the payment
15 of principal of or interest on certificates or bonds due. No
16 reserves may be built up in this fund in anticipation of a
17 projected default. The board shall adjust the annual standby
18 tax levy for each year to reflect the amount of revenues in the
19 special fund and the amount of principal and interest that is
20 due in that year.

21 (k) Before debt certificates or bonds are issued, the board
22 shall publish once a notice of its intention to issue the
23 certificates or bonds, stating the amount, the purpose, and the
24 project or projects for which the certificates or bonds are to
25 be issued. A person may, within 15 days after the publication
26 of the notice, by action in the circuit court of the county in

1 the area within which the community college district is
2 located, appeal the decision of the board in proposing to issue
3 the certificates or bonds. The action of the board in
4 determining to issue the certificates or bonds is final and
5 conclusive unless the circuit court finds that the board has
6 exceeded its legal authority. An action shall not be brought
7 that questions the legality of the certificates or bonds, the
8 power of the board to issue the certificates or bonds, the
9 effectiveness of any proceedings relating to the authorization
10 of the project, or the authorization and issuance of the
11 certificates or bonds from and after 15 days from the
12 publication of the notice of intention to issue.

13 (l) The board shall determine if revenues are sufficient to
14 secure the faithful performance of obligations in the
15 agreement.

16 (m) To test the feasibility of statewide implementation,
17 Community College District No. 503, Community College District
18 No. 532, Community College District No. 529, and Community
19 College District No. 522 shall develop and implement pilot
20 initiatives. The results must be reported to the State Board
21 and the General Assembly to determine the feasibility of
22 statewide implementation."