

AN ACT concerning State government.

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

Section 5. The Illinois Finance Authority Act is amended by changing Sections 825-65, 825-70, 825-75, and 830-25 as follows:

(20 ILCS 3501/825-65)

Sec. 825-65. Clean Coal, Coal, and Renewable Energy Project Financing.

(a) Findings and declaration of policy.

(i) It is hereby found and declared that Illinois has abundant coal resources and, in some areas of Illinois, the demand for power exceeds the generating capacity. Incentives to encourage the construction of coal-fueled ~~coal-fired~~ electric generating plants in Illinois to ensure power generating capacity into the future and to advance clean coal technology and the use of Illinois coal are in the best interests of all of the citizens of Illinois.

(ii) It is further found and declared that Illinois has abundant potential and resources to develop renewable energy resource projects. The development of those projects will create jobs and investment as well as

decrease environmental impacts and promote energy independence in Illinois. Accordingly, the development of those projects is in the best interests of all of the citizens of Illinois.

(iii) The Authority is authorized to issue bonds to help finance Clean Coal, Coal, and Renewable Energy projects pursuant to this Section.

(b) Definitions. ~~Definition.~~

(i) "Clean Coal ~~Project and Energy projects~~" means (A) "clean coal facility", as defined in Section 1-10 of the Illinois Power Agency Act; (B) "clean coal SNG facility", as defined in Section 1-10 of the Illinois Power Agency Act; (C) transmission lines and associated equipment that transfer electricity from points of supply to points of delivery for projects described in this subsection (b); (D) pipelines or other methods to transfer carbon dioxide from the point of production to the point of storage or sequestration for projects described in this subsection (b); or (E) projects to provide carbon abatement technology for existing generating facilities.

(ii) "Coal Project" means new electric generating facilities or new gasification facilities, as defined in Section 605-332 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois, which may include mine-mouth power plants, projects that employ the use of clean coal technology,

projects to provide scrubber technology for existing energy generating plants, or projects to provide electric transmission facilities or new gasification facilities.

(iii) "Renewable Energy Project" means (A) a project that uses renewable energy resources, as defined in Section 1-10 of the Illinois Power Agency Act; (B) a project that uses environmentally preferable technologies and practices that result in improvements to the production of renewable fuels, including but not limited to, cellulosic conversion, water and energy conservation, fractionation, alternative feedstocks, or reduced green house gas emissions; (C) transmission lines and associated equipment that transfer electricity from points of supply to points of delivery for projects described in this subsection (b); or (D) projects that use technology for the storage of renewable energy, including, without limitation, the use of battery or electrochemical storage technology for mobile or stationary applications.

(c) Creation of reserve funds. The Authority may establish and maintain one or more reserve funds to enhance bonds issued by the Authority for a Clean Coal Project, a Coal Project, or a Renewable and Energy Project projects. There may be one or more accounts in these reserve funds in which there may be deposited:

(1) any proceeds of the bonds issued by the Authority required to be deposited therein by the terms of any

contract between the Authority and its bondholders or any resolution of the Authority;

(2) any other moneys or funds of the Authority that it may determine to deposit therein from any other source; and

(3) any other moneys or funds made available to the Authority. Subject to the terms of any pledge to the owners of any bonds, moneys in any reserve fund may be held and applied to the payment of principal, premium, if any, and interest of such bonds.

(d) Powers and duties. The Authority has the power:

(1) To issue bonds in one or more series pursuant to one or more resolutions of the Authority for any Clean Coal Project, Coal Project, or Renewable and Energy Project ~~projects~~ authorized under this Section, within the authorization set forth in subsection ~~subsections~~ (e) ~~and (f)~~.

(2) To provide for the funding of any reserves or other funds or accounts deemed necessary by the Authority in connection with any bonds issued by the Authority.

(3) To pledge any funds of the Authority or funds made available to the Authority that may be applied to such purpose as security for any bonds or any guarantees, letters of credit, insurance contracts or similar credit support or liquidity instruments securing the bonds.

(4) To enter into agreements or contracts with third parties, whether public or private, including, without

limitation, the United States of America, the State or any department or agency thereof, to obtain any appropriations, grants, loans or guarantees that are deemed necessary or desirable by the Authority. Any such guarantee, agreement or contract may contain terms and provisions necessary or desirable in connection with the program, subject to the requirements established by the Act.

(5) To exercise such other powers as are necessary or incidental to the foregoing.

(e) Clean Coal Project, Coal Project, and Renewable Energy Project bond authorization and financing limits. In addition to any other bonds authorized to be issued under Sections 801-40(w), 825-60, 830-25 and 845-5, the Authority may have outstanding, at any time, bonds for the purpose enumerated in this Section 825-65 in an aggregate principal amount that shall not exceed \$3,000,000,000 ~~\$2,700,000,000~~, subject to the following limitations: (i) up to ~~of which no more than~~ \$300,000,000 may be issued to finance projects, as described in clause (C) of subsection (b)(i) and clause (C) of subsection (b)(iii) of this Section 825-65; (ii) up to ~~transmission facilities, no more than~~ \$500,000,000 may be issued to finance projects, as described in clauses (D) and (E) of subsection (b)(i) of this Section 825-65; (iii) up to \$2,000,000,000 ~~scrubbers at existing generating plants, no more than~~ \$500,000,000 may be issued to finance Clean Coal Projects, as

described in clauses (A) and (B) of subsection (b)(i) of this Section 825-65 and Coal Projects, as described in subsection (b)(ii) of this Section 825-65; and (iv) up to \$2,000,000,000 may be issued to finance Renewable Energy Projects, as described in clauses (A), (B), and (D) of subsection (b)(iii) of this Section 825-65 ~~alternative energy sources, including renewable energy projects and no more than \$1,400,000,000 may be issued to finance new electric generating facilities or new gasification facilities, as defined in Section 605-332 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois.~~ An application for a loan financed from bond proceeds from a borrower or its affiliates for a Clean Coal Project, a Coal Project, or a Renewable and Energy Project ~~project~~ may not be approved by the Authority for an amount in excess of \$450,000,000 for any borrower or its affiliates. These bonds shall not constitute an indebtedness or obligation of the State of Illinois and it shall be plainly stated on the face of each bond that it does not constitute an indebtedness or obligation of the State of Illinois, but is payable solely from the revenues, income or other assets of the Authority pledged therefor.

(f) The bonding authority granted under this Section is in addition to and not limited by the provisions of Section 845-5. ~~Additional Clean Coal and Energy bond authorization and financing limits. In addition to any other bonds authorized to be issued under this Act, the Authority may issue bonds for the~~

~~purpose enumerated in this Section 825-65 in an aggregate principal amount that shall not exceed \$300,000,000.~~

(Source: P.A. 95-470, eff. 8-27-07.)

(20 ILCS 3501/825-70)

Sec. 825-70. Criteria for participation in the program. Applications to the Authority for financing of any Clean Coal, Coal, or Renewable ~~and~~ Energy Project ~~project~~ shall be reviewed by the Authority. Upon submission of any such application, the Authority staff shall review the application for its completeness and may, at the discretion of the Authority staff, request such additional information as it deems necessary or advisable to aid in review. If the Authority receives applications for financing for Clean Coal, Coal, or ~~and~~ Renewable Energy Projects ~~projects~~ in excess of the bond authorization available for such financing at any one time, it shall consider applications in the order of priority as it shall determine, in consultation with other State agencies, and consistent with State policy to promote environmentally preferable technology and energy independence.

(Source: P.A. 93-205, eff. 1-1-04.)

(20 ILCS 3501/825-75)

Sec. 825-75. Additional Security. In the event that the Authority determines that monies of the Authority will not be sufficient for the payment of the principal of and interest on

any bonds issued by the Authority under Sections 825-65 through 825-75 of this Act for Clean Coal Projects, Coal Projects, or Renewable Energy Projects ~~new electric generating facilities or new gasification facilities~~ during the next State fiscal year, the Chairperson, as soon as practicable, shall certify to the Governor the amount required by the Authority to enable it to pay such principal, premium, if any, and interest on such bonds. The Governor shall submit the amount so certified to the General Assembly as soon as practicable, but no later than the end of the current State fiscal year. This subsection shall apply to any bonds or notes as to which the Authority shall have determined, in the resolution authorizing the issuance of the bonds or notes, that this subsection shall apply. Whenever the Authority makes such a determination, that fact shall be plainly stated on the face of the bonds or notes and that fact should also be reported to the Governor. In the event of a withdrawal of moneys from a reserve fund established with respect to any issue or issues of bonds of the Authority to pay principal, premium, if any, and interest on such bonds, the Chairman of the Authority, as soon as practicable, shall certify to the Governor the amount required to restore the reserve fund to the level required in the resolution or indenture securing those bonds. The Governor shall submit the amount so certified to the General Assembly as soon as practicable, but no later than the end of the current State fiscal year. The Authority shall obtain written approval from

the Governor for any bonds and notes to be issued under this Section.

(Source: P.A. 95-470, eff. 8-27-07.)

(20 ILCS 3501/830-25)

Sec. 830-25. Bonded indebtedness limitation. The Authority shall not have outstanding at any one time State Guarantees under Section 830-30 in an aggregate principal amount exceeding \$160,000,000. The Authority shall not have outstanding at any one time State Guarantees under Sections 830-35, 830-45 and 830-50 in an aggregate principal amount exceeding \$225,000,000 ~~\$75,000,000~~. The Guarantees in this Section may be used to support Renewable Energy Projects as described in clauses (A) and (B) of subsection (b) (iii) of Section 825-65 of this Act.

(Source: P.A. 93-205, eff. 1-1-04.)