

**102ND GENERAL ASSEMBLY****State of Illinois****2021 and 2022****SB0691**

Introduced 2/25/2021, by Sen. Bill Cunningham

**SYNOPSIS AS INTRODUCED:**

110 ILCS 305/120 new

Amends the University of Illinois Act. Provides that the Board of Trustees of the University of Illinois has the power to enter into financing agreements in connection with the financing of capital improvements, including technology or other related improvements, by selling certificates of participation in the installment payments made under such financing agreements. Provides that these financing agreements may be entered into for any period of time less than or equal to 30 years, but not to exceed the useful life of the capital improvement. Provides that if the Board exercises the power to enter into financing agreements for capital improvements, the Board shall adopt a resolution or resolutions describing in a general way the contemplated facilities or a combination thereof designated as the project, the estimated cost thereof, and any additional relevant information. Provides that before issuance of any certificate of participation, the Board or its representatives shall appear before the Commission on Government Forecasting and Accountability and present the details of the proposal. Provides that upon receipt of a request by the University for a certificate of participation presentation, the Commission shall hold a public hearing and, upon adoption by a vote of the majority of appointed members, issue a record of findings in regard to the issuance of the certificate of participation within 60 days after the request. Provides that within the Commission's findings must be a statement in which the Commission makes a recommendation to the University as to proceeding with the certificate of participation.

LRB102 15412 CMG 20775 b

FISCAL NOTE ACT  
MAY APPLY**A BILL FOR**

1 AN ACT concerning education.

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

4 Section 5. The University of Illinois Act is amended by  
5 adding Section 120 as follows:

6 (110 ILCS 305/120 new)

7 Sec. 120. Certificates of participation for capital  
8 improvements.

9 (a) As used in this Section, "Commission" means the  
10 Commission on Government Forecasting and Accountability.

11 (b) The power of the Board of Trustees to enter into  
12 contracts includes the power to enter into financing  
13 agreements in connection with the financing of capital  
14 improvements, including technology or other related  
15 improvements, by selling certificates of participation in the  
16 installment payments made under such financing agreements.  
17 These financing agreements may be entered into for any period  
18 of time less than or equal to 30 years, but not to exceed the  
19 useful life of the capital improvement. Nothing in this  
20 Section authorizes the Board to incur State debt, as that term  
21 is defined in subsection (a) of Section 9 of Article IX of the  
22 Illinois Constitution.

23 (c) Upon determination by the Board to undertake a

1 transaction for the sale of certificates of participation and  
2 enter into related financing agreements in connection with the  
3 financing of capital improvements, the Board shall adopt a  
4 resolution or resolutions describing in a general way the  
5 contemplated facilities or a combination thereof designated as  
6 the project, the estimated cost thereof, and any additional  
7 relevant information.

8 (d) Before issuance of any certificate of participation,  
9 the Board or its representatives shall appear before the  
10 Commission and present the details of the proposal. This  
11 presentation shall include such information as the Commission  
12 may request in relation to the proposed certificate of  
13 participation issuance. This information shall include, but is  
14 not limited to, the amount being financed, the nature of the  
15 project being financed, the proposed funding stream to pay for  
16 the certificate of participation issuance, the outstanding  
17 indebtedness of the University, and the status of all  
18 currently issued certificates of participation.

19 Upon receipt of a request by the University for a  
20 certificate of participation presentation, the Commission  
21 shall hold a public hearing and, upon adoption by a vote of the  
22 majority of appointed members, issue a record of findings in  
23 regard to the issuance of the certificate of participation  
24 within 60 days after the request.

25 As part of the Commission's considerations and findings,  
26 the Commission shall consider the effect the issuance of a

1 certificate of participation shall have on the University's  
2 annual debt service and overall fiscal condition.

3 Within the Commission's findings must be a statement in  
4 which the Commission makes a recommendation to the University  
5 as to proceeding with the certificate of participation.