

1 AN ACT concerning local government.

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

4 Section 5. The Southeastern Illinois Economic Development
5 Authority Act is amended by changing Sections 20, 25, and 35 as
6 follows:

7 (70 ILCS 518/20)

8 Sec. 20. Creation.

9 (a) There is created a political subdivision, body politic,
10 and municipal corporation named the Southeastern Illinois
11 Economic Development Authority. The territorial jurisdiction
12 of the Authority is that geographic area within the boundaries
13 of the following counties: Fayette, Cumberland, Clark,
14 Effingham, Jasper, Crawford, Marion, Clay, Richland, Lawrence,
15 Jefferson, Wayne, Edwards, Wabash, Hamilton, and White;
16 Irvington Township in Washington County; and any navigable
17 waters and air space located therein.

18 (b) The governing and administrative powers of the
19 Authority shall be vested in a body consisting of 27 ~~10~~ members
20 as follows:

21 (1) Public members. Nine members shall be appointed by
22 the Governor with the advice and consent of the Senate. The
23 county board chairmen of the following counties shall each

1 appoint one member: Clark, Clay, Crawford, Cumberland,
2 Edwards, Effingham, Fayette, Hamilton, Jasper, Jefferson,
3 Lawrence, Marion, Richland, Wabash, Washington, Wayne, and
4 White.

5 (2) One member shall be appointed by the Director of
6 Commerce and Economic Opportunity.

7 All public members shall reside within the territorial
8 jurisdiction of the Authority. The public members shall be
9 persons of recognized ability and experience in one or more of
10 the following areas: economic development, finance, banking,
11 industrial development, state or local government, commercial
12 agriculture, small business management, real estate
13 development, community development, venture finance, organized
14 labor, or civic or community organization.

15 (c) Fourteen ~~Six~~ members shall constitute a quorum.

16 (d) The chairman of the Authority shall be elected annually
17 by the Board.

18 (e) The terms of the ~~all~~ initial members of the Authority
19 shall begin 30 days after the effective date of this Act. Of
20 the 10 original members appointed by the Governor and the
21 Director of Commerce and Economic Opportunity pursuant to
22 subsection (b), one shall serve until the third Monday in
23 January, 2005; one shall serve until the third Monday in
24 January, 2006; 2 shall serve until the third Monday in January,
25 2007; 2 shall serve until the third Monday in January, 2008; 2
26 shall serve until the third Monday in January, 2009; and 2

1 shall serve until the third Monday in January, 2010. The terms
2 of the initial public members of the Authority appointed by the
3 county board chairmen shall begin 30 days after the effective
4 date of this amendatory Act of the 97th General Assembly. The
5 terms of the initial public members appointed by the county
6 board chairmen shall be determined by lot, according to the
7 following schedule: (i) 4 shall serve until the third Monday in
8 January, 2013, (ii) 4 shall serve until the third Monday in
9 January, 2014, (iii) 3 shall serve until the third Monday in
10 January, 2015, (iv) 3 shall serve until the third Monday in
11 January, 2016, and (v) 3 shall serve until the third Monday in
12 January, 2017. All successors to these initial members shall be
13 appointed by the original appointing authority ~~All successors~~
14 ~~to these original public members shall be appointed by the~~
15 ~~Governor with the advice and consent of the Senate, or by the~~
16 ~~Director of Commerce and Economic Opportunity, as the case may~~
17 ~~be,~~ pursuant to subsection (b), and shall hold office for a
18 term of 3 years commencing the third Monday in January of the
19 year in which their term commences, except in the case of an
20 appointment to fill a vacancy. Vacancies occurring among the
21 ~~public~~ members shall be filled for the remainder of the term.
22 In case of a vacancy in a Governor-appointed membership when
23 the Senate is not in session, the Governor may make a temporary
24 appointment until the next meeting of the Senate when a person
25 shall be nominated to fill the office and, upon confirmation by
26 the Senate, he or she shall hold office during the remainder of

1 the term and until a successor is appointed and qualified.
2 Members of the Authority are not entitled to compensation for
3 their services as members but are entitled to reimbursement for
4 all necessary expenses incurred in connection with the
5 performance of their duties as members. Members of the Board
6 may participate in Board meetings by teleconference or video
7 conference.

8 (f) The Governor may remove any public member of the
9 Authority appointed by the Governor, and the Director of
10 Commerce and Economic Opportunity may remove any ~~public~~ member
11 appointed by the Director, in case of incompetence, neglect of
12 duty, or malfeasance in office. The chairman of a county board,
13 with the approval of a majority vote of the county board, may
14 remove any public member appointed by that chairman in the case
15 of incompetence, neglect of duty, or malfeasance in office.

16 (g) The Board shall appoint an Executive Director who shall
17 have a background in finance, including familiarity with the
18 legal and procedural requirements of issuing bonds, real
19 estate, or economic development and administration. The
20 Executive Director shall hold office at the discretion of the
21 Board. The Executive Director shall be the chief administrative
22 and operational officer of the Authority, shall direct and
23 supervise its administrative affairs and general management,
24 perform such other duties as may be prescribed from time to
25 time by the members, and receive compensation fixed by the
26 Authority. The Executive Director shall attend all meetings of

1 the Authority. However, no action of the Authority shall be
2 invalid on account of the absence of the Executive Director
3 from a meeting. The Authority may engage the services of the
4 Illinois Finance Authority, attorneys, appraisers, engineers,
5 accountants, credit analysts, and other consultants, if the
6 Southeastern Illinois Economic Development Authority deems it
7 advisable.

8 (Source: P.A. 93-968, eff. 8-20-04; 94-613, eff. 8-18-05.)

9 (70 ILCS 518/25)

10 Sec. 25. Duty. All official acts of the Authority shall
11 require the approval of at least 14 ~~6~~ members. It shall be the
12 duty of the Authority to promote development within the
13 territorial jurisdiction of the Authority. The Authority shall
14 use the powers conferred upon it to assist in the development,
15 construction, and acquisition of industrial, commercial,
16 housing, or residential projects within its territorial
17 jurisdiction.

18 (Source: P.A. 93-968, eff. 8-20-04; 94-613, eff. 8-18-05.)

19 (70 ILCS 518/35)

20 Sec. 35. Bonds.

21 (a) The Authority, with the written approval of the
22 Governor, shall have the continuing power to issue bonds,
23 notes, or other evidences of indebtedness in an aggregate
24 amount not to exceed \$250,000,000 for the following purposes:

1 (i) development, construction, acquisition, or improvement of
2 projects, including those established by business entities
3 locating or expanding property within the territorial
4 jurisdiction of the Authority; (ii) entering into venture
5 capital agreements with businesses locating or expanding
6 within the territorial jurisdiction of the Authority; (iii)
7 acquisition and improvement of any property necessary and
8 useful in connection therewith; and (iv) for the purposes of
9 the Employee Ownership Assistance Act. For the purpose of
10 evidencing the obligations of the Authority to repay any money
11 borrowed, the Authority may, pursuant to resolution, from time
12 to time, issue and dispose of its interest-bearing revenue
13 bonds, notes, or other evidences of indebtedness and may also
14 from time to time issue and dispose of such bonds, notes, or
15 other evidences of indebtedness to refund, at maturity, at a
16 redemption date or in advance of either, any bonds, notes, or
17 other evidences of indebtedness pursuant to redemption
18 provisions or at any time before maturity. All such bonds,
19 notes, or other evidences of indebtedness shall be payable
20 solely and only from the revenues or income to be derived from
21 loans made with respect to projects, from the leasing or sale
22 of the projects, or from any other funds available to the
23 Authority for such purposes. The bonds, notes, or other
24 evidences of indebtedness may bear such date or dates, may
25 mature at such time or times not exceeding 40 years from their
26 respective dates, may bear interest at such rate or rates not

1 exceeding the maximum rate permitted by the Bond Authorization
2 Act, may be in such form, may carry such registration
3 privileges, may be executed in such manner, may be payable at
4 such place or places, may be made subject to redemption in such
5 manner and upon such terms, with or without premium, as is
6 stated on the face thereof, may be authenticated in such manner
7 and may contain such terms and covenants as may be provided by
8 an applicable resolution.

9 (b) The holder or holders of any bonds, notes, or other
10 evidences of indebtedness issued by the Authority may bring
11 suits at law or proceedings in equity to compel the performance
12 and observance by any corporation or person or by the Authority
13 or any of its agents or employees of any contract or covenant
14 made with the holders of the bonds, notes, or other evidences
15 of indebtedness, to compel such corporation, person, the
16 Authority, and any of its agents or employees to perform any
17 duties required to be performed for the benefit of the holders
18 of the bonds, notes, or other evidences of indebtedness by the
19 provision of the resolution authorizing their issuance and to
20 enjoin the corporation, person, the Authority, and any of its
21 agents or employees from taking any action in conflict with any
22 contract or covenant.

23 (c) If the Authority fails to pay the principal of or
24 interest on any of the bonds or premium, if any, as the bond
25 becomes due, a civil action to compel payment may be instituted
26 in the appropriate circuit court by the holder or holders of

1 the bonds on which the default of payment exists or by an
2 indenture trustee acting on behalf of the holders. Delivery of
3 a summons and a copy of the complaint to the chairman of the
4 Board shall constitute sufficient service to give the circuit
5 court jurisdiction over the subject matter of the suit and
6 jurisdiction over the Authority and its officers named as
7 defendants for the purpose of compelling such payment. Any
8 case, controversy, or cause of action concerning the validity
9 of this Act relates to the revenue of the State of Illinois.

10 (d) Notwithstanding the form and tenor of any bond, note,
11 or other evidence of indebtedness and in the absence of any
12 express recital on its face that it is non-negotiable, all such
13 bonds, notes, and other evidences of indebtedness shall be
14 negotiable instruments. Pending the preparation and execution
15 of any bonds, notes, or other evidences of indebtedness,
16 temporary bonds, notes, or evidences of indebtedness may be
17 issued as provided by ordinance.

18 (e) To secure the payment of any or all of such bonds,
19 notes, or other evidences of indebtedness, the revenues to be
20 received by the Authority from a lease agreement or loan
21 agreement shall be pledged, and, for the purpose of setting
22 forth the covenants and undertakings of the Authority in
23 connection with the issuance of the bonds, notes, or other
24 evidences of indebtedness and the issuance of any additional
25 bonds, notes or other evidences of indebtedness payable from
26 such revenues, income, or other funds to be derived from

1 projects, the Authority may execute and deliver a mortgage or
2 trust agreement. A remedy for any breach or default of the
3 terms of any mortgage or trust agreement by the Authority may
4 be by mandamus proceeding in the appropriate circuit court to
5 compel performance and compliance under the terms of the
6 mortgage or trust agreement, but the trust agreement may
7 prescribe by whom or on whose behalf the action may be
8 instituted.

9 (f) Bonds or notes shall be secured as provided in the
10 authorizing ordinance which may include, notwithstanding any
11 other provision of this Act, in addition to any other security,
12 a specific pledge, assignment of and lien on, or security
13 interest in any or all revenues or money of the Authority, from
14 whatever source, which may, by law, be used for debt service
15 purposes and a specific pledge, or assignment of and lien on,
16 or security interest in any funds or accounts established or
17 provided for by ordinance of the Authority authorizing the
18 issuance of the bonds or notes.

19 (g) In the event that the Authority determines that moneys
20 of the Authority will not be sufficient for the payment of the
21 principal of and interest on its bonds during the next State
22 fiscal year, the chairman, as soon as practicable, shall
23 certify to the Governor the amount required by the Authority to
24 enable it to pay the principal of and interest on the bonds.
25 The Governor shall submit the certified amount to the General
26 Assembly as soon as practicable, but no later than the end of

1 the current State fiscal year. This Section shall not apply to
2 any bonds or notes to which the Authority determines, in the
3 resolution authorizing the issuance of the bonds or notes, that
4 this Section shall not apply. Whenever the Authority makes this
5 determination, it shall be plainly stated on the face of the
6 bonds or notes and the determination shall also be reported to
7 the Governor. In the event of a withdrawal of moneys from a
8 reserve fund established with respect to any issue or issues of
9 bonds of the Authority to pay principal or interest on those
10 bonds, the chairman of the Authority, as soon as practicable,
11 shall certify to the Governor the amount required to restore
12 the reserve fund to the level required in the resolution or
13 indenture securing those bonds. The Governor shall submit the
14 certified amount to the General Assembly as soon as
15 practicable, but no later than the end of the current State
16 fiscal year. This subsection (g) shall not apply to any bond
17 issued on or after the effective date of this amendatory Act of
18 the 97th General Assembly.

19 (h) The State of Illinois pledges to and agrees with the
20 holders of the bonds and notes of the Authority issued pursuant
21 to this Section that the State will not limit or alter the
22 rights and powers vested in the Authority by this Act so as to
23 impair the terms of any contract made by the Authority with the
24 holders of bonds or notes or in any way impair the rights and
25 remedies of those holders until the bonds and notes, together
26 with interest thereon, with interest on any unpaid installments

1 of interest, and all costs and expenses in connection with any
2 action or proceedings by or on behalf of the holders, are fully
3 met and discharged. In addition, the State pledges to and
4 agrees with the holders of the bonds and notes of the Authority
5 issued pursuant to this Section that the State will not limit
6 or alter the basis on which State funds are to be paid to the
7 Authority as provided in this Act, or the use of such funds, so
8 as to impair the terms of any such contract. The Authority is
9 authorized to include these pledges and agreements of the State
10 in any contract with the holders of bonds or notes issued
11 pursuant to this Section.

12 (Source: P.A. 93-968, eff. 8-20-04.)

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.