



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB5678

by Rep. Norine Hammond

#### SYNOPSIS AS INTRODUCED:

110 ILCS 690/35-40  
110 ILCS 690/35-45

Amends the Western Illinois University Law to allow the Board of Trustees to sell, lease, or otherwise transfer and convey specified property in Rock Island County without compliance with the State Property Control Act and to retain the proceeds in the University treasury in a special, separate development fund account that the Auditor General shall examine. Allows revenues from the development fund account to be withdrawn by the University for certain purposes. Effective immediately.

LRB098 18550 NHT 53688 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 Western Illinois University Law is amended  
5 by changing Sections 35-40 and 35-45 as follows:

6 (110 ILCS 690/35-40)

7 Sec. 35-40. Contracts, conveyances, expenditures. The  
8 Board shall have power to enter into contracts and to sue and  
9 be sued, provided that any suit against the Board based upon a  
10 claim sounding in tort must be filed in the Court of Claims; to  
11 acquire by purchase, eminent domain or otherwise, and to hold  
12 and convey title to real property as it shall deem appropriate  
13 and personal property in accordance with the State Property  
14 Control Act, except as otherwise provided in item (14) of  
15 Section 35-45 of this Law; and to expend the funds appropriated  
16 to or lawfully belonging to the Western Illinois University,  
17 provided that the Board in the exercise of the powers conferred  
18 by this Article shall not create any liability or indebtedness  
19 of funds from the State Treasury in excess of the funds  
20 appropriated to Western Illinois University.

21 All real property acquired by the Board shall be held for  
22 the People of the State of Illinois, for the use of Western  
23 Illinois University.

1 Any lease to the Board of lands, buildings or facilities  
2 which will support scientific research and development in such  
3 areas as high technology, super computing, microelectronics,  
4 biotechnology, robotics, physics and engineering shall be for a  
5 term not to exceed 18 years, and may grant to the Board the  
6 option to purchase the lands, buildings or facilities. The  
7 lease shall recite that it is subject to termination and  
8 cancellation in any year for which the General Assembly fails  
9 to make an appropriation to pay the rent payable under the  
10 terms of the lease.

11 Leases for the purposes described herein exceeding 5 years  
12 shall have the approval of the Illinois Board of Higher  
13 Education.

14 The Board's power to enter into contracts includes but is  
15 not limited to the power to enter into contracts with  
16 municipalities within which the University or any branch  
17 thereof is located, in whole or in part, for such municipality  
18 to provide fire protection or other essential municipal  
19 services upon properties leased to for-profit entities the  
20 title to which properties is held by the Board. The Board shall  
21 pay to the municipality concerned such equitable portion of the  
22 cost of providing such fire protection or other essential  
23 municipal service as shall be agreed to by the Board, and as  
24 part of the compensation for such fire protection the Board may  
25 provide land and buildings, or either, for fire stations to be  
26 used by the municipality.

1 (Source: P.A. 89-4, eff. 1-1-96.)

2 (110 ILCS 690/35-45)

3 Sec. 35-45. Powers and duties. The Board also shall have  
4 power and it shall be its duty:

5 (1) To make rules, regulations and bylaws, not inconsistent  
6 with law, for the government and management of Western Illinois  
7 University and its branches;

8 (2) To employ, and, for good cause, to remove a President  
9 of Western Illinois University, and all necessary deans,  
10 professors, associate professors, assistant professors,  
11 instructors, other educational and administrative assistants,  
12 and all other necessary employees, and to prescribe their  
13 duties and contract with them upon matters relating to tenure,  
14 salaries and retirement benefits in accordance with the State  
15 Universities Civil Service Act. Whenever the Board establishes  
16 a search committee to fill the position of President of Western  
17 Illinois University, there shall be minority representation,  
18 including women, on that search committee. The Board shall,  
19 upon the written request of an employee of Western Illinois  
20 University, withhold from the compensation of that employee any  
21 dues, payments or contributions payable by such employee to any  
22 labor organization as defined in the Illinois Educational Labor  
23 Relations Act. Under such arrangement, an amount shall be  
24 withheld from each regular payroll period which is equal to the  
25 pro rata share of the annual dues plus any payments or

1 contributions, and the Board shall transmit such withholdings  
2 to the specified labor organization within 10 working days from  
3 the time of the withholding;

4 (3) To prescribe the courses of study to be followed, and  
5 textbooks and apparatus to be used at Western Illinois  
6 University;

7 (4) To issue upon the recommendation of the faculty,  
8 diplomas to such persons as have satisfactorily completed the  
9 required studies of Western Illinois University, and confer  
10 such professional and literary degrees as are usually conferred  
11 by other institutions of like character for similar or  
12 equivalent courses of study, or such as the Board may deem  
13 appropriate;

14 (5) To examine into the conditions, management, and  
15 administration of Western Illinois University, to provide the  
16 requisite buildings, apparatus, equipment and auxiliary  
17 enterprises, and to fix and collect matriculation fees; tuition  
18 fees; fees for student activities; fees for student facilities  
19 such as student union buildings or field houses or stadia or  
20 other recreational facilities; student welfare fees;  
21 laboratory fees; and similar fees for supplies and materials.  
22 The expense of the building, improving, repairing and supplying  
23 fuel and furniture and the necessary appliances and apparatus  
24 for conducting Western Illinois University, the reimbursed  
25 expenses of members of the Board, and the salaries or  
26 compensation of the President, assistants, agents and other

1 employees of Western Illinois University, shall be a charge  
2 upon the State Treasury. All other expenses shall be chargeable  
3 against students, and the Board shall regulate the charges  
4 accordingly;

5 (6) To succeed to and to administer all trusts, trust  
6 property, and gifts now or hereafter belonging or pertaining to  
7 Western Illinois University;

8 (7) To accept endowments of professorships or departments  
9 in Western Illinois University from any person who may proffer  
10 them and, at regular meetings, to prescribe rules and  
11 regulations in relation to endowments and declare on what  
12 general principles they may be accepted;

13 (8) To enter into contracts with the Federal government for  
14 providing courses of instruction and other services at Western  
15 Illinois University for persons serving in or with the military  
16 or naval forces of the United States, and to provide such  
17 courses of instruction and other services;

18 (9) To contract with respect to the Cooperative Computer  
19 Center to obtain services related to electronic data  
20 processing;

21 (10) To provide for the receipt and expenditures of Federal  
22 funds paid to Western Illinois University by the Federal  
23 government for instruction and other services for persons  
24 serving in or with the military or naval forces of the United  
25 States, and to provide for audits of such funds;

26 (11) To appoint, subject to the applicable civil service

1 law, persons to be members of the Western Illinois University  
2 Police Department. Members of the Police Department shall be  
3 conservators of the peace and as such have all powers possessed  
4 by policemen in cities, and sheriffs, including the power to  
5 make arrests on view or warrants of violations of State  
6 statutes, University rules and regulations and city or county  
7 ordinances, except that they may exercise such powers only  
8 within counties wherein Western Illinois University and any of  
9 its branches or properties are located when such is required  
10 for the protection of University properties and interests, and  
11 its students and personnel, and otherwise, within such  
12 counties, when requested by appropriate State or local law  
13 enforcement officials. However, such officers shall have no  
14 power to serve and execute civil processes.

15 The Board must authorize to each member of the Western  
16 Illinois University Police Department and to any other employee  
17 of Western Illinois University exercising the powers of a peace  
18 officer a distinct badge that, on its face, (i) clearly states  
19 that the badge is authorized by Western Illinois University and  
20 (ii) contains a unique identifying number. No other badge shall  
21 be authorized by Western Illinois University;

22 (12) The Board may, directly or in cooperation with other  
23 institutions of higher education, acquire by purchase or lease  
24 or otherwise, and construct, enlarge, improve, equip,  
25 complete, operate, control and manage research and high  
26 technology parks, together with the necessary lands,

1 buildings, facilities, equipment, and personal property  
2 therefor, to encourage and facilitate (i) the location and  
3 development of business and industry in the State of Illinois,  
4 and (ii) the increased application and development of  
5 technology, and (iii) the improvement and development of the  
6 State's economy. The Board may lease to nonprofit corporations  
7 all or any part of the land, buildings, facilities, equipment  
8 or other property included in a research and high technology  
9 park upon such terms and conditions as the Board may deem  
10 advisable and enter into any contract or agreement with such  
11 nonprofit corporations as may be necessary or suitable for the  
12 construction, financing, operation and maintenance and  
13 management of any such park; and may lease to any person, firm,  
14 partnership or corporation, either public or private, any part  
15 or all of the land, building, facilities, equipment or other  
16 property of such park for such purposes and upon such rentals,  
17 terms and conditions as the Board may deem advisable; and may  
18 finance all or part of the cost of any such park, including the  
19 purchase, lease, construction, reconstruction, improvement,  
20 remodeling, addition to, and extension and maintenance of all  
21 or part of such high technology park, and all equipment and  
22 furnishings, by legislative appropriations, government grants,  
23 contracts, private gifts, loans, receipts from the operation of  
24 such high technology park, rentals and similar receipts; and  
25 may make its other facilities and services available to tenants  
26 or other occupants of any such park at rates which are



1 reasonable and appropriate;

2 (13) To borrow money, as necessary, from time to time in  
3 anticipation of receiving tuition, payments from the State of  
4 Illinois, or other revenues or receipts of the University, also  
5 known as anticipated moneys. The borrowing limit shall be  
6 capped at 100% of the total amount of payroll and other expense  
7 vouchers submitted and payable to the University for fiscal  
8 year 2010 expenses, but unpaid by the State Comptroller's  
9 office. Prior to borrowing any funds, the University shall  
10 request from the Comptroller's office a verification of the  
11 borrowing limit and shall include the estimated date on which  
12 such borrowing shall occur. The borrowing limit cap shall be  
13 verified by the State Comptroller's office not prior to 45 days  
14 before any estimated date for executing any promissory note or  
15 line of credit established under this item (13). The principal  
16 amount borrowed under a promissory note or line of credit shall  
17 not exceed 75% of the borrowing limit. Within 15 days after  
18 borrowing funds under any promissory note or line of credit  
19 established under this item (13), the University shall submit  
20 to the Governor's Office of Management and Budget, the Speaker  
21 of the House of Representatives, the Minority Leader of the  
22 House of Representatives, the President of the Senate, and the  
23 Minority Leader of the Senate an Emergency Short Term Cash  
24 Management Plan. The Emergency Short Term Cash Management Plan  
25 shall outline the amount borrowed, the terms for repayment, the  
26 amount of outstanding State vouchers as verified by the State

1 Comptroller's office, and the University's plan for  
2 expenditure of any borrowed funds, including, but not limited  
3 to, a detailed plan to meet payroll obligations to include  
4 collective bargaining employees, civil service employees, and  
5 academic, research, and health care personnel. The  
6 establishment of any promissory note or line of credit  
7 established under this item (13) must be finalized within 90  
8 days after the effective date of this amendatory Act of the  
9 96th General Assembly. The borrowed moneys shall be applied to  
10 the purposes of paying salaries and other expenses lawfully  
11 authorized in the University's State appropriation and unpaid  
12 by the State Comptroller. Any line of credit established under  
13 this item (13) shall be paid in full one year after creation or  
14 within 10 days after the date the University receives  
15 reimbursement from the State for all submitted fiscal year 2010  
16 vouchers, whichever is earlier. Any promissory note  
17 established under this item (13) shall be repaid within one  
18 year after issuance of the note. The Chairman, Comptroller, or  
19 Treasurer of the Board shall execute a promissory note or  
20 similar debt instrument to evidence the indebtedness incurred  
21 by the borrowing. In connection with a borrowing, the Board may  
22 establish a line of credit with a financial institution,  
23 investment bank, or broker/dealer. The obligation to make the  
24 payments due under any promissory note or line of credit  
25 established under this item (13) shall be a lawful obligation  
26 of the University payable from the anticipated moneys. Any

1 borrowing under this item (13) shall not constitute a debt,  
2 legal or moral, of the State and shall not be enforceable  
3 against the State. The promissory note or line of credit shall  
4 be authorized by a resolution passed by the Board and shall be  
5 valid whether or not a budgeted item with respect to that  
6 resolution is included in any annual or supplemental budget  
7 adopted by the Board. The resolution shall set forth facts  
8 demonstrating the need for the borrowing, state an amount that  
9 the amount to be borrowed will not exceed, and establish a  
10 maximum interest rate limit not to exceed the maximum rate  
11 authorized by the Bond Authorization Act or 9%, whichever is  
12 less. The resolution may direct the Comptroller or Treasurer of  
13 the Board to make arrangements to set apart and hold the  
14 portion of the anticipated moneys, as received, that shall be  
15 used to repay the borrowing, subject to any prior pledges or  
16 restrictions with respect to the anticipated moneys. The  
17 resolution may also authorize the Treasurer of the Board to  
18 make partial repayments of the borrowing as the anticipated  
19 moneys become available and may contain any other terms,  
20 restrictions, or limitations not inconsistent with the powers  
21 of the Board.

22 For the purposes of this item (13), "financial institution"  
23 means any bank subject to the Illinois Banking Act, any savings  
24 and loan association subject to the Illinois Savings and Loan  
25 Act of 1985, and any federally chartered commercial bank or  
26 savings and loan association or government-sponsored

1 enterprise organized and operated in this State pursuant to the  
2 laws of the United States.

3 (14) To assist in the provision of lands, buildings, and  
4 facilities that are supportive of University purposes and  
5 suitable and appropriate for the conduct and operation of the  
6 University's education programs, the Board may exercise the  
7 following powers with regard to that part of the Southeast  
8 Quarter of Section 11, Township 17 North, Range 1 West of the  
9 4th Principal Meridian, the boundary which is described as  
10 follows:

11 From the Northeast corner of Lot 33 of Homewood Terrace  
12 Second Addition to the City of Moline in Rock Island  
13 County, Illinois, said corner being the point of beginning  
14 and being 1272.48 feet South and 526.23 feet East of the  
15 center of Section 11; proceed thence South 00 deg.-00'-00"  
16 West '179.04 feet along the East line of said Homewood  
17 Terrace Second Addition; thence South 34 deg.-30'-00" West  
18 135.00 feet along the East line of said Homewood Terrace  
19 Second Addition; thence South 34 deg.-22'-33" East 353.34  
20 feet to the East line of the First Section of Homewood 5th  
21 Addition to the City of Moline in Rock Island County,  
22 Illinois; thence South 21 deg.-14'-01" East 448.00 feet  
23 along the East line of said First Section of Homewood 5th  
24 Addition to the North Right-of-Way line of Coaltown Road,  
25 Moline; thence North 69 deg.-30'-59" East 13.39 feet along  
26 the North Right-of-Way of Coaltown Road; thence

1 Northeasterly 302.69 feet along the North Right-of-Way of  
2 Coaltown Road around a circular curve to the Right, said  
3 curve having an initial tangent bearing of North 69  
4 deg.-30'-59" East and a radius of 1950.08 feet; thence  
5 North 49 deg.-29'-56" East 99.18 feet along the North  
6 Right-of-Way line of Coaltown Road, Moline, to the West  
7 Right-of-Way line of 60th Street, Moline; thence North 09  
8 deg.-29'-20" West 366.24 feet along the West Right-of-Way  
9 line of 60th Street, Moline Right-of-Way monument; thence  
10 North 10 deg.-10'-03" West 263.50 feet along the West  
11 Right-of-Way line of 60th Street, Moline Right-of-Way  
12 monument; thence North 01 deg.-45'-57" West 81.37 feet  
13 along the West line of 60th Street, Moline; thence  
14 Northwesterly 581.39 feet around a circular curve to the  
15 right, said curve having an initial tangent bearing of  
16 South 89 deg.-27'-55" West and a radius of 1085.00 feet to  
17 the point of beginning; Situated in Rock Island County,  
18 Illinois.

19 (A) The Board may sell, lease, or otherwise transfer  
20 and convey all or part of the real estate described in this  
21 item (14), together with the improvements situated  
22 thereon, to a bona fide purchaser for value, without  
23 compliance with the State Property Control Act and on such  
24 terms as the Board shall determine are in the best  
25 interests of the University and consistent with its objects  
26 and purposes.

1           (B) The Board may retain the proceeds from the sale,  
2           lease, or other transfer of all or any part of the real  
3           estate described in this item (14) in the University  
4           treasury, in a special, separate development fund account  
5           that the Auditor General shall examine to ensure the use or  
6           deposit of those proceeds in a manner consistent with  
7           subdivision (C) of this item (14).

8           (C) Revenues from the development fund account may be  
9           withdrawn by the University for the purpose of demolition  
10           and the processes associated with demolition; routine land  
11           and property acquisition; streetscape work; landscape  
12           work; lease and lease purchase arrangements and the  
13           professional services associated with planning and  
14           development; surface and structure parking; sidewalks,  
15           recreational paths, and street construction; utility  
16           infrastructure; historic preservation; and building  
17           rehabilitation. Money from the development fund account  
18           used for any other purpose must be deposited into and  
19           appropriated from the General Revenue Fund. Buildings or  
20           facilities leased to an entity or person other than the  
21           University are not subject to any limitations applicable to  
22           a State-supported college or university under any law. All  
23           development on the land and all use of any buildings or  
24           facilities is subject to the control and approval of the  
25           Board.

26           (Source: P.A. 96-909, eff. 6-8-10; 97-333, eff. 8-12-11.)

1           Section 99. Effective date. This Act takes effect upon  
2    becoming law.