

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 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  
17 authorized by an agreement, which receipts must be pledged to  
18 the payment of principal of and interest on the debt  
19 certificates.

20 "Date of commencement of the project" means the date of the  
21 agreement.

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

23 "Employer" means the person providing new jobs within the

1 boundaries of the community college district and entering into  
2 an agreement.

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

15 "New job" means a job in a new or expanding industry, but  
16 does not include jobs of recalled workers or replacement jobs  
17 or other jobs that formerly existed in the industry in this  
18 State.

19 "New jobs training program" or "program" means the project  
20 or projects established by a community college district for the  
21 creation of jobs by providing education and training of workers  
22 for new jobs for new or expanding industry within the  
23 boundaries of the community college district.

24 "Program costs" means all necessary and incidental costs of  
25 providing program services.

26 "Program services" includes without limitation the

1 following:

2 (1) New jobs training.

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

4 (3) Vocational and skill-assessment services and  
5 testing.

6 (4) Training facilities, equipment, materials, and  
7 supplies.

8 (5) On-the-job training.

9 (6) Administrative expenses for the new jobs training  
10 program.

11 (7) Subcontracted services with public or private  
12 colleges or universities or other federal, State, or local  
13 agencies.

14 (8) Contracted or professional services.

15 (9) The issuance of certificates.

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

19 (b) A board may enter into an agreement to establish a  
20 project. If an agreement is entered into, the board and the  
21 employer shall notify the State Board as soon as possible. An  
22 agreement shall provide for program costs, including deferred  
23 costs, that may be paid from one or a combination of the  
24 following sources:

25 (1) Property taxes to be received or derived from an  
26 employer's business property where new jobs are created as

1 a result of the project.

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

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

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

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

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

17 (f) To provide funds for the present payment of the costs  
18 of a new jobs training program, the board may borrow money and  
19 issue and sell debt certificates or bonds payable from a  
20 sufficient portion of the future receipts of payments  
21 authorized by the agreement. The receipts shall be pledged to  
22 the payment of principal of and interest on the debt  
23 certificates or bonds.

24 (g) Certificates or bonds may be sold at public sale or at  
25 private sale at par, premium, or discount at the discretion of  
26 the board.

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

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

19       (j) To further secure the payment of the debt certificates  
20       or bonds, the board shall, by resolution, provide for the  
21       assessment of an annual levy of a standby tax upon all taxable  
22       property within the community college district. A copy of the  
23       resolution shall be sent to the county clerk of each county in  
24       which the community college district is located. The revenues  
25       from the standby tax shall be deposited into a special fund and  
26       shall be expended only for the payment of principal of and

1 interest on the certificates or bonds issued as provided in  
2 this Section, when the receipt of payment for program costs as  
3 provided in the agreement is insufficient. If payments are  
4 necessary and made from the special fund, the amount of the  
5 payments shall be promptly repaid into the special fund from  
6 the first available payments received for program costs as  
7 provided in the agreement that are not required for the payment  
8 of principal of or interest on certificates or bonds due. No  
9 reserves may be built up in this fund in anticipation of a  
10 projected default. The board shall adjust the annual standby  
11 tax levy for each year to reflect the amount of revenues in the  
12 special fund and the amount of principal and interest that is  
13 due in that year.

14 (k) Before debt certificates or bonds are issued, the board  
15 shall publish once a notice of its intention to issue the  
16 certificates or bonds, stating the amount, the purpose, and the  
17 project or projects for which the certificates or bonds are to  
18 be issued. A person may, within 15 days after the publication  
19 of the notice, by action in the circuit court of the county in  
20 the area within which the community college district is  
21 located, appeal the decision of the board in proposing to issue  
22 the certificates or bonds. The action of the board in  
23 determining to issue the certificates or bonds is final and  
24 conclusive unless the circuit court finds that the board has  
25 exceeded its legal authority. An action shall not be brought  
26 that questions the legality of the certificates or bonds, the

1 power of the board to issue the certificates or bonds, the  
2 effectiveness of any proceedings relating to the authorization  
3 of the project, or the authorization and issuance of the  
4 certificates or bonds from and after 15 days from the  
5 publication of the notice of intention to issue.

6 (l) The board shall determine if revenues are sufficient to  
7 secure the faithful performance of obligations in the  
8 agreement.

9 (m) To test the feasibility of statewide implementation,  
10 Community College District No. 503, Community College District  
11 No. 532, Community College District No. 529, and Community  
12 College District No. 522 shall develop and implement pilot  
13 initiatives. The results must be reported to the State Board  
14 and the General Assembly to determine the feasibility of  
15 statewide implementation.