



Sen. Donne E. Trotter

**Filed: 1/24/2017**

10000SB0004sam002

LRB100 06348 HLH 18630 a

1 AMENDMENT TO SENATE BILL 4

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 4 immediately below  
3 the enacting clause, by inserting the following:

4 "Section 3. The Illinois Finance Authority Act is amended  
5 by changing Section 801-40 as follows:

6 (20 ILCS 3501/801-40)

7 Sec. 801-40. In addition to the powers otherwise authorized  
8 by law and in addition to the foregoing general corporate  
9 powers, the Authority shall also have the following additional  
10 specific powers to be exercised in furtherance of the purposes  
11 of this Act.

12 (a) The Authority shall have power (i) to accept grants,  
13 loans or appropriations from the federal government or the  
14 State, or any agency or instrumentality thereof, to be used for  
15 the operating expenses of the Authority, or for any purposes of  
16 the Authority, including the making of direct loans of such

1 funds with respect to projects, and (ii) to enter into any  
2 agreement with the federal government or the State, or any  
3 agency or instrumentality thereof, in relationship to such  
4 grants, loans or appropriations.

5 (b) The Authority shall have power to procure and enter  
6 into contracts for any type of insurance and indemnity  
7 agreements covering loss or damage to property from any cause,  
8 including loss of use and occupancy, or covering any other  
9 insurable risk.

10 (c) The Authority shall have the continuing power to issue  
11 bonds for its corporate purposes. Bonds may be issued by the  
12 Authority in one or more series and may provide for the payment  
13 of any interest deemed necessary on such bonds, of the costs of  
14 issuance of such bonds, of any premium on any insurance, or of  
15 the cost of any guarantees, letters of credit or other similar  
16 documents, may provide for the funding of the reserves deemed  
17 necessary in connection with such bonds, and may provide for  
18 the refunding or advance refunding of any bonds or for accounts  
19 deemed necessary in connection with any purpose of the  
20 Authority. The bonds may bear interest payable at any time or  
21 times and at any rate or rates, notwithstanding any other  
22 provision of law to the contrary, and such rate or rates may be  
23 established by an index or formula which may be implemented or  
24 established by persons appointed or retained therefor by the  
25 Authority, or may bear no interest or may bear interest payable  
26 at maturity or upon redemption prior to maturity, may bear such

1 date or dates, may be payable at such time or times and at such  
2 place or places, may mature at any time or times not later than  
3 40 years from the date of issuance, may be sold at public or  
4 private sale at such time or times and at such price or prices,  
5 may be secured by such pledges, reserves, guarantees, letters  
6 of credit, insurance contracts or other similar credit support  
7 or liquidity instruments, may be executed in such manner, may  
8 be subject to redemption prior to maturity, may provide for the  
9 registration of the bonds, and may be subject to such other  
10 terms and conditions all as may be provided by the resolution  
11 or indenture authorizing the issuance of such bonds. The holder  
12 or holders of any bonds issued by the Authority may bring suits  
13 at law or proceedings in equity to compel the performance and  
14 observance by any person or by the Authority or any of its  
15 agents or employees of any contract or covenant made with the  
16 holders of such bonds and to compel such person or the  
17 Authority and any of its agents or employees to perform any  
18 duties required to be performed for the benefit of the holders  
19 of any such bonds by the provision of the resolution  
20 authorizing their issuance, and to enjoin such person or the  
21 Authority and any of its agents or employees from taking any  
22 action in conflict with any such contract or covenant.  
23 Notwithstanding the form and tenor of any such bonds and in the  
24 absence of any express recital on the face thereof that it is  
25 non-negotiable, all such bonds shall be negotiable  
26 instruments. Pending the preparation and execution of any such

1 bonds, temporary bonds may be issued as provided by the  
2 resolution. The bonds shall be sold by the Authority in such  
3 manner as it shall determine. The bonds may be secured as  
4 provided in the authorizing resolution by the receipts,  
5 revenues, income and other available funds of the Authority and  
6 by any amounts derived by the Authority from the loan agreement  
7 or lease agreement with respect to the project or projects; and  
8 bonds may be issued as general obligations of the Authority  
9 payable from such revenues, funds and obligations of the  
10 Authority as the bond resolution shall provide, or may be  
11 issued as limited obligations with a claim for payment solely  
12 from such revenues, funds and obligations as the bond  
13 resolution shall provide. The Authority may grant a specific  
14 pledge or assignment of and lien on or security interest in  
15 such rights, revenues, income, or amounts and may grant a  
16 specific pledge or assignment of and lien on or security  
17 interest in any reserves, funds or accounts established in the  
18 resolution authorizing the issuance of bonds. Any such pledge,  
19 assignment, lien or security interest for the benefit of the  
20 holders of the Authority's bonds shall be valid and binding  
21 from the time the bonds are issued without any physical  
22 delivery or further act, and shall be valid and binding as  
23 against and prior to the claims of all other parties having  
24 claims against the Authority or any other person irrespective  
25 of whether the other parties have notice of the pledge,  
26 assignment, lien or security interest. As evidence of such

1 pledge, assignment, lien and security interest, the Authority  
2 may execute and deliver a mortgage, trust agreement, indenture  
3 or security agreement or an assignment thereof. A remedy for  
4 any breach or default of the terms of any such agreement by the  
5 Authority may be by mandamus proceedings in any court of  
6 competent jurisdiction to compel the performance and  
7 compliance therewith, but the agreement may prescribe by whom  
8 or on whose behalf such action may be instituted. It is  
9 expressly understood that the Authority may, but need not,  
10 acquire title to any project with respect to which it exercises  
11 its authority.

12 (c-5) Subject to the limitations set forth in this  
13 subsection (c-5), the Authority shall have the power to issue  
14 State Pension Obligation Acceleration Bonds if in any fiscal  
15 year the amount appropriated for all accelerated pension  
16 benefit payments is less than the amount required for those  
17 payments. The proceeds from the State Pension Obligation  
18 Acceleration Bonds issued under this subsection may be used  
19 only to pay for accelerated pension benefit payments for the  
20 fiscal year in which the State Pension Obligation Acceleration  
21 Bonds are issued.

22 The Authority may not issue more than \$250,000,000 in State  
23 Pension Obligation Acceleration Bonds pursuant to the  
24 authority granted in this subsection (c-5), excluding bonds  
25 issued to refund outstanding State Pension Obligation  
26 Acceleration Bonds.

1           (d) With respect to the powers granted by this Act, the  
2 Authority may adopt rules and regulations prescribing the  
3 procedures by which persons may apply for assistance under this  
4 Act. Nothing herein shall be deemed to preclude the Authority,  
5 prior to the filing of any formal application, from conducting  
6 preliminary discussions and investigations with respect to the  
7 subject matter of any prospective application.

8           (e) The Authority shall have power to acquire by purchase,  
9 lease, gift or otherwise any property or rights therein from  
10 any person useful for its purposes, whether improved for the  
11 purposes of any prospective project, or unimproved. The  
12 Authority may also accept any donation of funds for its  
13 purposes from any such source. The Authority shall have no  
14 independent power of condemnation but may acquire any property  
15 or rights therein obtained upon condemnation by any other  
16 authority, governmental entity or unit of local government with  
17 such power.

18           (f) The Authority shall have power to develop, construct  
19 and improve either under its own direction, or through  
20 collaboration with any approved applicant, or to acquire  
21 through purchase or otherwise, any project, using for such  
22 purpose the proceeds derived from the sale of its bonds or from  
23 governmental loans or grants, and to hold title in the name of  
24 the Authority to such projects.

25           (g) The Authority shall have power to lease pursuant to a  
26 lease agreement any project so developed and constructed or

1 acquired to the approved tenant on such terms and conditions as  
2 may be appropriate to further the purposes of this Act and to  
3 maintain the credit of the Authority. Any such lease may  
4 provide for either the Authority or the approved tenant to  
5 assume initially, in whole or in part, the costs of  
6 maintenance, repair and improvements during the leasehold  
7 period. In no case, however, shall the total rentals from any  
8 project during any initial leasehold period or the total loan  
9 repayments to be made pursuant to any loan agreement, be less  
10 than an amount necessary to return over such lease or loan  
11 period (1) all costs incurred in connection with the  
12 development, construction, acquisition or improvement of the  
13 project and for repair, maintenance and improvements thereto  
14 during the period of the lease or loan; provided, however, that  
15 the rentals or loan repayments need not include costs met  
16 through the use of funds other than those obtained by the  
17 Authority through the issuance of its bonds or governmental  
18 loans; (2) a reasonable percentage additive to be agreed upon  
19 by the Authority and the borrower or tenant to cover a properly  
20 allocable portion of the Authority's general expenses,  
21 including, but not limited to, administrative expenses,  
22 salaries and general insurance, and (3) an amount sufficient to  
23 pay when due all principal of, interest and premium, if any on,  
24 any bonds issued by the Authority with respect to the project.  
25 The portion of total rentals payable under clause (3) of this  
26 subsection (g) shall be deposited in such special accounts,

1 including all sinking funds, acquisition or construction  
2 funds, debt service and other funds as provided by any  
3 resolution, mortgage or trust agreement of the Authority  
4 pursuant to which any bond is issued.

5 (h) The Authority has the power, upon the termination of  
6 any leasehold period of any project, to sell or lease for a  
7 further term or terms such project on such terms and conditions  
8 as the Authority shall deem reasonable and consistent with the  
9 purposes of the Act. The net proceeds from all such sales and  
10 the revenues or income from such leases shall be used to  
11 satisfy any indebtedness of the Authority with respect to such  
12 project and any balance may be used to pay any expenses of the  
13 Authority or be used for the further development, construction,  
14 acquisition or improvement of projects. In the event any  
15 project is vacated by a tenant prior to the termination of the  
16 initial leasehold period, the Authority shall sell or lease the  
17 facilities of the project on the most advantageous terms  
18 available. The net proceeds of any such disposition shall be  
19 treated in the same manner as the proceeds from sales or the  
20 revenues or income from leases subsequent to the termination of  
21 any initial leasehold period.

22 (i) The Authority shall have the power to make loans to  
23 persons to finance a project, to enter into loan agreements  
24 with respect thereto, and to accept guarantees from persons of  
25 its loans or the resultant evidences of obligations of the  
26 Authority.



1           (j) The Authority may fix, determine, charge and collect  
2 any premiums, fees, charges, costs and expenses, including,  
3 without limitation, any application fees, commitment fees,  
4 program fees, financing charges or publication fees from any  
5 person in connection with its activities under this Act.

6           (k) In addition to the funds established as provided  
7 herein, the Authority shall have the power to create and  
8 establish such reserve funds and accounts as may be necessary  
9 or desirable to accomplish its purposes under this Act and to  
10 deposit its available monies into the funds and accounts.

11           (l) At the request of the governing body of any unit of  
12 local government, the Authority is authorized to market such  
13 local government's revenue bond offerings by preparing bond  
14 issues for sale, advertising for sealed bids, receiving bids at  
15 its offices, making the award to the bidder that offers the  
16 most favorable terms or arranging for negotiated placements or  
17 underwritings of such securities. The Authority may, at its  
18 discretion, offer for concurrent sale the revenue bonds of  
19 several local governments. Sales by the Authority of revenue  
20 bonds under this Section shall in no way imply State guarantee  
21 of such debt issue. The Authority may require such financial  
22 information from participating local governments as it deems  
23 necessary in order to carry out the purposes of this subsection  
24 (1).

25           (m) The Authority may make grants to any county to which  
26 Division 5-37 of the Counties Code is applicable to assist in

1 the financing of capital development, construction and  
2 renovation of new or existing facilities for hospitals and  
3 health care facilities under that Act. Such grants may only be  
4 made from funds appropriated for such purposes from the Build  
5 Illinois Bond Fund.

6 (n) The Authority may establish an urban development action  
7 grant program for the purpose of assisting municipalities in  
8 Illinois which are experiencing severe economic distress to  
9 help stimulate economic development activities needed to aid in  
10 economic recovery. The Authority shall determine the types of  
11 activities and projects for which the urban development action  
12 grants may be used, provided that such projects and activities  
13 are broadly defined to include all reasonable projects and  
14 activities the primary objectives of which are the development  
15 of viable urban communities, including decent housing and a  
16 suitable living environment, and expansion of economic  
17 opportunity, principally for persons of low and moderate  
18 incomes. The Authority shall enter into grant agreements from  
19 monies appropriated for such purposes from the Build Illinois  
20 Bond Fund. The Authority shall monitor the use of the grants,  
21 and shall provide for audits of the funds as well as recovery  
22 by the Authority of any funds determined to have been spent in  
23 violation of this subsection (n) or any rule or regulation  
24 promulgated hereunder. The Authority shall provide technical  
25 assistance with regard to the effective use of the urban  
26 development action grants. The Authority shall file an annual

1 report to the General Assembly concerning the progress of the  
2 grant program.

3 (o) The Authority may establish a Housing Partnership  
4 Program whereby the Authority provides zero-interest loans to  
5 municipalities for the purpose of assisting in the financing of  
6 projects for the rehabilitation of affordable multi-family  
7 housing for low and moderate income residents. The Authority  
8 may provide such loans only upon a municipality's providing  
9 evidence that it has obtained private funding for the  
10 rehabilitation project. The Authority shall provide 3 State  
11 dollars for every 7 dollars obtained by the municipality from  
12 sources other than the State of Illinois. The loans shall be  
13 made from monies appropriated for such purpose from the Build  
14 Illinois Bond Fund. The total amount of loans available under  
15 the Housing Partnership Program shall not exceed \$30,000,000.  
16 State loan monies under this subsection shall be used only for  
17 the acquisition and rehabilitation of existing buildings  
18 containing 4 or more dwelling units. The terms of any loan made  
19 by the municipality under this subsection shall require  
20 repayment of the loan to the municipality upon any sale or  
21 other transfer of the project.

22 (p) The Authority may award grants to universities and  
23 research institutions, research consortiums and other  
24 not-for-profit entities for the purposes of: remodeling or  
25 otherwise physically altering existing laboratory or research  
26 facilities, expansion or physical additions to existing

1 laboratory or research facilities, construction of new  
2 laboratory or research facilities or acquisition of modern  
3 equipment to support laboratory or research operations  
4 provided that such grants (i) be used solely in support of  
5 project and equipment acquisitions which enhance technology  
6 transfer, and (ii) not constitute more than 60 percent of the  
7 total project or acquisition cost.

8 (q) Grants may be awarded by the Authority to units of  
9 local government for the purpose of developing the appropriate  
10 infrastructure or defraying other costs to the local government  
11 in support of laboratory or research facilities provided that  
12 such grants may not exceed 40% of the cost to the unit of local  
13 government.

14 (r) The Authority may establish a Direct Loan Program to  
15 make loans to individuals, partnerships or corporations for the  
16 purpose of an industrial project, as defined in Section 801-10  
17 of this Act. For the purposes of such program and not by way of  
18 limitation on any other program of the Authority, the Authority  
19 shall have the power to issue bonds, notes, or other evidences  
20 of indebtedness including commercial paper for purposes of  
21 providing a fund of capital from which it may make such loans.  
22 The Authority shall have the power to use any appropriations  
23 from the State made especially for the Authority's Direct Loan  
24 Program for additional capital to make such loans or for the  
25 purposes of reserve funds or pledged funds which secure the  
26 Authority's obligations of repayment of any bond, note or other

1 form of indebtedness established for the purpose of providing  
2 capital for which it intends to make such loans under the  
3 Direct Loan Program. For the purpose of obtaining such capital,  
4 the Authority may also enter into agreements with financial  
5 institutions and other persons for the purpose of selling loans  
6 and developing a secondary market for such loans. Loans made  
7 under the Direct Loan Program may be in an amount not to exceed  
8 \$300,000 and shall be made for a portion of an industrial  
9 project which does not exceed 50% of the total project. No loan  
10 may be made by the Authority unless approved by the affirmative  
11 vote of at least 8 members of the board. The Authority shall  
12 establish procedures and publish rules which shall provide for  
13 the submission, review, and analysis of each direct loan  
14 application and which shall preserve the ability of each board  
15 member to reach an individual business judgment regarding the  
16 propriety of making each direct loan. The collective discretion  
17 of the board to approve or disapprove each loan shall be  
18 unencumbered. The Authority may establish and collect such fees  
19 and charges, determine and enforce such terms and conditions,  
20 and charge such interest rates as it determines to be necessary  
21 and appropriate to the successful administration of the Direct  
22 Loan Program. The Authority may require such interests in  
23 collateral and such guarantees as it determines are necessary  
24 to protect the Authority's interest in the repayment of the  
25 principal and interest of each loan made under the Direct Loan  
26 Program.

1           (s) The Authority may guarantee private loans to third  
2 parties up to a specified dollar amount in order to promote  
3 economic development in this State.

4           (t) The Authority may adopt rules and regulations as may be  
5 necessary or advisable to implement the powers conferred by  
6 this Act.

7           (u) The Authority shall have the power to issue bonds,  
8 notes or other evidences of indebtedness, which may be used to  
9 make loans to units of local government which are authorized to  
10 enter into loan agreements and other documents and to issue  
11 bonds, notes and other evidences of indebtedness for the  
12 purpose of financing the protection of storm sewer outfalls,  
13 the construction of adequate storm sewer outfalls, and the  
14 provision for flood protection of sanitary sewage treatment  
15 plans, in counties that have established a stormwater  
16 management planning committee in accordance with Section  
17 5-1062 of the Counties Code. Any such loan shall be made by the  
18 Authority pursuant to the provisions of Section 820-5 to 820-60  
19 of this Act. The unit of local government shall pay back to the  
20 Authority the principal amount of the loan, plus annual  
21 interest as determined by the Authority. The Authority shall  
22 have the power, subject to appropriations by the General  
23 Assembly, to subsidize or buy down a portion of the interest on  
24 such loans, up to 4% per annum.

25           (v) The Authority may accept security interests as provided  
26 in Sections 11-3 and 11-3.3 of the Illinois Public Aid Code.

1           (w) Moral Obligation. In the event that the Authority  
2 determines that monies of the Authority will not be sufficient  
3 for the payment of the principal of and interest on its bonds  
4 during the next State fiscal year, the Chairperson, as soon as  
5 practicable, shall certify to the Governor the amount required  
6 by the Authority to enable it to pay such principal of and  
7 interest on the bonds. The Governor shall submit the amount so  
8 certified to the General Assembly as soon as practicable, but  
9 no later than the end of the current State fiscal year. This  
10 subsection shall apply only to any bonds or notes as to which  
11 the Authority shall have determined, in the resolution  
12 authorizing the issuance of the bonds or notes, that this  
13 subsection shall apply. Whenever the Authority makes such a  
14 determination, that fact shall be plainly stated on the face of  
15 the bonds or notes and that fact shall also be reported to the  
16 Governor. In the event of a withdrawal of moneys from a reserve  
17 fund established with respect to any issue or issues of bonds  
18 of the Authority to pay principal or interest on those bonds,  
19 the Chairperson of the Authority, as soon as practicable, shall  
20 certify to the Governor the amount required to restore the  
21 reserve fund to the level required in the resolution or  
22 indenture securing those bonds. The Governor shall submit the  
23 amount so certified to the General Assembly as soon as  
24 practicable, but no later than the end of the current State  
25 fiscal year. The Authority shall obtain written approval from  
26 the Governor for any bonds and notes to be issued under this

1 Section. In addition to any other bonds authorized to be issued  
2 under Sections 825-60, 825-65(e), 830-25 and 845-5, the  
3 principal amount of Authority bonds outstanding issued under  
4 this Section 801-40(w) or under 20 ILCS 3850/1-80 or 30 ILCS  
5 360/2-6(c), which have been assumed by the Authority, shall not  
6 exceed \$150,000,000. This subsection (w) shall in no way be  
7 applied to any bonds issued by the Authority on behalf of the  
8 Illinois Power Agency under Section 825-90 of this Act.

9 (x) The Authority may enter into agreements or contracts  
10 with any person necessary or appropriate to place the payment  
11 obligations of the Authority under any of its bonds in whole or  
12 in part on any interest rate basis, cash flow basis, or other  
13 basis desired by the Authority, including without limitation  
14 agreements or contracts commonly known as "interest rate swap  
15 agreements", "forward payment conversion agreements", and  
16 "futures", or agreements or contracts to exchange cash flows or  
17 a series of payments, or agreements or contracts, including  
18 without limitation agreements or contracts commonly known as  
19 "options", "puts", or "calls", to hedge payment, rate spread,  
20 or similar exposure; provided that any such agreement or  
21 contract shall not constitute an obligation for borrowed money  
22 and shall not be taken into account under Section 845-5 of this  
23 Act or any other debt limit of the Authority or the State of  
24 Illinois.

25 (y) The Authority shall publish summaries of projects and  
26 actions approved by the members of the Authority on its



1 website. These summaries shall include, but not be limited to,  
2 information regarding the:

- 3 (1) project;
- 4 (2) Board's action or actions;
- 5 (3) purpose of the project;
- 6 (4) Authority's program and contribution;
- 7 (5) volume cap;
- 8 (6) jobs retained;
- 9 (7) projected new jobs;
- 10 (8) construction jobs created;
- 11 (9) estimated sources and uses of funds;
- 12 (10) financing summary;
- 13 (11) project summary;
- 14 (12) business summary;
- 15 (13) ownership or economic disclosure statement;
- 16 (14) professional and financial information;
- 17 (15) service area; and
- 18 (16) legislative district.

19 The disclosure of information pursuant to this subsection  
20 shall comply with the Freedom of Information Act.

21 (Source: P.A. 95-470, eff. 8-27-07; 95-481, eff. 8-28-07;  
22 95-876, eff. 8-21-08; 96-795, eff. 7-1-10 (see Section 5 of  
23 P.A. 96-793 for the effective date of changes made by P.A.  
24 96-795).)

25 Section 4. The State Finance Act is amended by adding

1 Section 5.878 as follows:

2 (30 ILCS 105/5.878 new)

3 Sec. 5.878. The State Pension Obligation Acceleration Bond  
4 Fund."; and

5 on page 1, line 10, by replacing "Section 7.6" with "Sections  
6 7.6 and 7.7"; and

7 on page 1, line 16, by replacing "\$56,917,915,743" with  
8 "\$57,167,925,743"; and

9 on page 2, by replacing lines 11 through 14 with the following:

10 "Of the total amount of Bonds authorized in this Act, the  
11 additional \$7,000,000,000 authorized by Section 7.6 shall be  
12 used solely as provided in Section 7.6 and shall be issued by  
13 September 1, 2017.

14 Of the total amount of Bonds authorized in this Act, the  
15 additional \$250,000,000 authorized by Section 7.7 shall be used  
16 solely as provided in Section 7.7."; and

17 on page 4, immediately below line 22, by inserting the  
18 following:

19 "(30 ILCS 330/7.7 new)

20 Sec. 7.7. State Pension Obligation Acceleration Bonds.

1       (a) As used in this Act, "State Pension Obligation  
2 Acceleration Bonds" means Bonds authorized by this amendatory  
3 Act of the 100th General Assembly and used for the purposes set  
4 forth in subsection (c-5) of Section 801-40 of the Illinois  
5 Finance Authority Act.

6       (b) State Pension Obligation Acceleration Bonds in the  
7 amount of \$250,000,000 are hereby authorized to be used for the  
8 purposes set forth in subsection (c-5) of Section 801-40 of the  
9 Illinois Finance Authority Act.

10       (c) The proceeds of State Pension Obligation Acceleration  
11 Bonds authorized in subsection (b) of this Section, less the  
12 amounts authorized in the Bond Sale Order to be directly paid  
13 out for bond sale expenses under Section 8, shall be deposited  
14 directly into the State Pension Obligation Acceleration Bond  
15 Fund, and the Comptroller and the Treasurer shall, as soon as  
16 practical, make payments as contemplated by subsection (c-5) of  
17 Section 801-40 of the Illinois Finance Authority Act.

18       (d) There is created the State Pension Obligation  
19 Acceleration Bond Fund as a special fund in the State Treasury.  
20 Funds deposited in the State Pension Obligation Acceleration  
21 Bond Fund may only be used for the purposes set forth in  
22 subsection (c-5) of Section 801-40 of the Illinois Finance  
23 Authority Act or for the payment of principal and interest due  
24 on State Pension Obligation Acceleration Bonds."; and

25 on page 5, line 2, by replacing "subsection (h)" with

1 "subsections (h) and (i)"; and

2 on page 17, immediately below line 20, by inserting the  
3 following:

4 "(i) Notwithstanding any other provision of this Section,  
5 for purposes of maximizing market efficiencies and cost  
6 savings, State Pension Obligation Acceleration Bonds may be  
7 issued and sold from time to time, in one or more series, in  
8 such amounts and at such prices as may be directed by the  
9 Governor, upon recommendation by the Director of the Governor's  
10 Office of Management and Budget. State Pension Obligation  
11 Acceleration Bonds shall be in such form, either coupon,  
12 registered, or book entry, in such denominations, shall bear  
13 interest payable at such times and at such fixed or variable  
14 rate or rates, and be dated as shall be fixed and determined by  
15 the Director of the Governor's Office of Management and Budget  
16 in the order authorizing the issuance and sale of any series of  
17 State Pension Obligation Acceleration Bonds, which order shall  
18 be approved by the Governor and is herein called a "Bond Sale  
19 Order"; provided, however, that interest payable at fixed or  
20 variable rates shall not exceed that permitted in the Bond  
21 Authorization Act. State Pension Obligation Acceleration Bonds  
22 shall be payable at such place or places, within or without the  
23 State of Illinois, and may be made registrable as to either  
24 principal or as to both principal and interest, as shall be  
25 specified in the Bond Sale Order. State Pension Obligation

1 Acceleration Bonds may be callable or subject to purchase and  
2 retirement or tender and remarketing as fixed and determined in  
3 the Bond Sale Order."; and

4 on page 20, immediately below line 3, by inserting the  
5 following:

6 "All State Pension Obligation Acceleration Bonds shall  
7 comply with this Section. Notwithstanding anything to the  
8 contrary, however, for purposes of complying with this Section,  
9 State Pension Obligation Acceleration Bonds, regardless of the  
10 number of series or issuances sold thereunder, shall be  
11 considered a single issue or series. Furthermore, for purposes  
12 of complying with the competitive bidding requirements of this  
13 Section, the words "at all times" shall not apply to any such  
14 sale of the State Pension Obligation Acceleration Bonds. The  
15 Director of the Governor's Office of Management and Budget  
16 shall determine the time and manner of any competitive sale of  
17 the State Pension Obligation Acceleration Bonds; however, that  
18 sale shall under no circumstances take place later than 60 days  
19 after the State closes the sale of 75% of the State Pension  
20 Obligation Acceleration Bonds by negotiated sale."; and

21 on page 21, immediately below line 13, by inserting the  
22 following:

23 "(f-8) Proceeds from the sale of Bonds, authorized by  
24 Section 7.7 of this Act, shall be deposited as set forth in

1 Section 7.7."; and

2 on page 22, line 7, by replacing "7.2 and 7.6" with "7.2, 7.6,  
3 and 7.7"; and

4 on page 24, immediately below line 9, by inserting the  
5 following:

6 "Section 10. The State Pension Funds Continuing  
7 Appropriation Act is amended by adding Section 1.10 as follows:

8 (40 ILCS 15/1.10 new)

9 Sec. 1.10. Appropriations for State Pension Obligation  
10 Acceleration Bonds. If for any reason the aggregate  
11 appropriations made available are insufficient to meet the  
12 levels required for the payment of principal and interest due  
13 on State Pension Obligation Acceleration Bonds under Section  
14 7.6 of the General Obligation Bond Act, this Section shall  
15 constitute a continuing appropriation of all amounts necessary  
16 for those purposes.".