



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB1778

Introduced 2/9/2017, by Sen. Neil Anderson - Martin A. Sandoval

SYNOPSIS AS INTRODUCED:

20 ILCS 3501/825-80
20 ILCS 3501/825-81
20 ILCS 3501/825-85

Amends the Illinois Finance Authority Act. In Sections concerning the fire truck revolving loan program, the fire station revolving loan program, and the ambulance revolving loan program, provides that repayments of loans made under those programs (and interest on those moneys) may be retained by the Authority and used for the purposes for which they are otherwise authorized to be used (currently, deposited into the Fire Truck Revolving Loan Fund, the Fire Station Revolving Loan Fund, and the Ambulance Revolving Loan Fund, as applicable). Provides that a loan for the purchase of an ambulance may not exceed \$200,000 (instead of \$100,000).

LRB100 11350 HLH 21733 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning finance.

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

4 Section 5. The Illinois Finance Authority Act is amended by
5 changing Sections 825-80, 825-81, and 825-85 as follows:

6 (20 ILCS 3501/825-80)

7 Sec. 825-80. Fire truck revolving loan program.

8 (a) This Section is a continuation and re-enactment of the
9 fire truck revolving loan program enacted as Section 3-27 of
10 the Rural Bond Bank Act by Public Act 93-35, effective June 24,
11 2003, and repealed by Public Act 93-205, effective January 1,
12 2004. Under the Rural Bond Bank Act, the program was
13 administered by the Rural Bond Bank and the State Fire Marshal.

14 (a-5) For purposes of this Section, "brush truck" means a
15 pickup chassis with or equipped with a flatbed or a pickup box.
16 The truck must be rated by the manufacturer as between
17 three-fourths of a ton and one ton and outfitted with a fire or
18 rescue apparatus.

19 (b) The Authority and the State Fire Marshal may jointly
20 administer a fire truck revolving loan program. The program
21 shall, in instances where sufficient loan funds exist to permit
22 applications to be accepted, provide zero-interest and
23 low-interest loans for the purchase of fire trucks by a fire

1 department, a fire protection district, or a township fire
2 department. For the purchase of brush trucks by a fire
3 department, a fire protection district, or a township fire
4 department, the program shall provide loans at a 2% rate of
5 simple interest per year for a brush truck if both the chassis
6 and the apparatus are built outside of Illinois, a 1% rate of
7 simple interest per year for a brush truck if either the
8 chassis or the apparatus is built in Illinois, or a 0% rate of
9 interest for a brush truck if both the chassis and the
10 apparatus are built in Illinois. The Authority shall make loans
11 based on need, as determined by the State Fire Marshal.

12 (c) The loan funds ~~may, subject to appropriation, shall be~~
13 ~~paid:~~ (1) subject to appropriation pursuant to subsection (c-1)
14 of this Section, out of the Fire Truck Revolving Loan Fund, a
15 special fund in the State Treasury; (2) out of moneys retained
16 by the Authority (and interest thereon) from the repayment of
17 loans pursuant to subsection (d) of this Section; or (3) out of
18 a combination of items (1) and (2). The Fire Truck Revolving
19 Loan Fund shall consist of any moneys transferred or
20 appropriated into the Fire Truck Revolving Loan Fund, as well
21 as ~~all repayments of loans made under the program and any~~
22 balance existing in the Fire Truck Revolving Loan Fund on the
23 effective date of this Section. The Fire Truck Revolving Loan
24 Fund shall be used for loans to fire departments and fire
25 protection districts to purchase fire trucks and brush trucks
26 and for no other purpose. All interest earned on moneys in the

1 Fire Truck Revolving Loan Fund shall be deposited into the Fire
2 Truck Revolving Loan Fund. As soon as practical after January
3 1, 2013 (the effective date of Public Act 97-901), all moneys
4 in the Fire Truck Revolving Loan Fund shall be transferred ~~paid~~
5 by the State Fire Marshal to the Authority, and, on and after
6 that date, all future moneys deposited into the Fire Truck
7 Revolving Loan Fund under this Section shall be transferred
8 ~~paid~~ by the State Fire Marshal to the Authority under the
9 continuing appropriation provision of subsection (c-1) of this
10 Section; provided that the Authority and the State Fire Marshal
11 enter into an intergovernmental agreement to use the moneys
12 transferred to the Authority from the Fire Truck Revolving Loan
13 Fund and moneys retained by the Authority (and interest
14 thereon) from the repayment of loans pursuant to subsection (d)
15 of this Section solely for the purposes for which the moneys
16 may ~~would~~ otherwise be used under this Section and to set forth
17 procedures to otherwise administer the use of the moneys.

18 (c-1) There is hereby appropriated, on a continuing annual
19 basis in each fiscal year, from the Fire Truck Revolving Loan
20 Fund, the amount, if any, of funds received into the Fire Truck
21 Revolving Loan Fund to the State Fire Marshal for payment to
22 the Authority for the purposes for which the moneys may ~~would~~
23 otherwise be used under this Section.

24 (d) A loan for the purchase of fire trucks or brush trucks
25 may not exceed \$350,000 to any fire department or fire
26 protection district. A loan for the purchase of brush trucks

1 may not exceed \$100,000 per truck. The repayment period for the
2 loan may not exceed 20 years. The fire department or fire
3 protection district shall repay each year at least 5% of the
4 principal amount borrowed or the remaining balance of the loan,
5 whichever is less; provided, however, that, if the loan bears
6 interest, the repayment may be structured as approximate level
7 debt service payments for each full year of the loan. All
8 repayments of loans and interest on those moneys earned while
9 they are held by the Authority shall be retained by the
10 Authority and used solely for the purposes for which moneys may
11 otherwise be used under this Section ~~deposited into the Fire~~
12 ~~Truck Revolving Loan Fund.~~

13 (e) The Authority and the State Fire Marshal may adopt
14 rules in accordance with the Illinois Administrative Procedure
15 Act to administer the program.

16 (f) Notwithstanding the repeal of Section 3-27 of the Rural
17 Bond Bank Act, all otherwise lawful actions taken on or after
18 January 1, 2004 and before the effective date of this Section
19 by any person under the authority originally granted by that
20 Section 3-27, including without limitation the granting,
21 acceptance, and repayment of loans for the purchase of fire
22 trucks, are hereby validated, and the rights and obligations of
23 all parties to any such loan are hereby acknowledged and
24 confirmed.

25 (Source: P.A. 97-900, eff. 8-6-12; 97-901, eff. 1-1-13; 98-463,
26 eff. 8-16-13; 98-662, eff. 6-23-14.)

1 (20 ILCS 3501/825-81)

2 Sec. 825-81. Fire station revolving loan program.

3 (a) The Authority and the State Fire Marshal may jointly
4 administer a fire station revolving loan program. The program
5 shall, in instances where sufficient loan funds exist to permit
6 applications to be accepted, provide zero-interest and
7 low-interest loans for the construction, rehabilitation,
8 remodeling, or expansion of a fire station or the acquisition
9 of land for the construction or expansion of a fire station by
10 a fire department, a fire protection district, or a township
11 fire department. Once the program receives funding, the
12 Authority shall make loans based on need, as determined by the
13 State Fire Marshal.

14 (b) The loan funds, ~~subject to appropriation,~~ may be paid:
15 (1) subject to appropriation pursuant to subsection (b-1) of
16 this Section, out of the Fire Station Revolving Loan Fund, a
17 special fund in the State treasury; (2) out of moneys retained
18 by the Authority (and interest thereon) from the repayment of
19 loans pursuant to subsection (c) of this Section; or (3) out of
20 a combination of items (1) and (2). The Fire Station Revolving
21 Loan Fund may consist of any moneys transferred or appropriated
22 into the Fire Station Revolving Loan Fund, ~~as well as all~~
23 ~~repayments of loans made under the program.~~ Once the program
24 receives funding, the Fire Station Revolving Loan Fund may be
25 used for loans to fire departments and fire protection

1 districts to construct, rehabilitate, remodel, or expand fire
2 stations or acquire land for the construction or expansion of
3 fire stations and for no other purpose. All interest earned on
4 moneys in the Fire Station Revolving Loan Fund shall be
5 deposited into the Fire Station Revolving Loan Fund. As soon as
6 practical after the effective date of this amendatory Act of
7 the 97th General Assembly, all moneys in the Fire Station
8 Revolving Loan Fund shall be transferred ~~paid~~ by the State Fire
9 Marshal to the Authority, and, on and after the effective date
10 of this amendatory Act of the 97th General Assembly, all future
11 moneys deposited into the Fire Station Revolving Loan Fund
12 under this Section shall be transferred ~~paid~~ by the State Fire
13 Marshal to the Authority under the continuing appropriation
14 provision of subsection (b-1) of this Section; provided that
15 the Authority and the State Fire Marshal enter into an
16 intergovernmental agreement to use the moneys transferred ~~paid~~
17 by the State Fire Marshal to the Authority from the Fire
18 Station Revolving Loan Fund and moneys retained by the
19 Authority (and interest thereon) from the repayment of loans
20 pursuant to subsection (c) of this Section solely for the
21 purposes for which the moneys may ~~would~~ otherwise be used under
22 this Section and to set forth procedures to otherwise
23 administer the use of the moneys.

24 (b-1) There is hereby appropriated, on a continuing annual
25 basis in each fiscal year, from the Fire Station Revolving Loan
26 Fund, the amount, if any, of funds received into the Fire

1 Station Revolving Loan Fund to the State Fire Marshal for
2 payment to the Authority for the purposes for which the moneys
3 ~~may would~~ otherwise be used under this Section.

4 (c) A loan under the program may not exceed \$2,000,000 to
5 any fire department or fire protection district. The repayment
6 period for the loan may not exceed 25 years. The fire
7 department or fire protection district shall repay each year at
8 least 4% of the principal amount borrowed or the remaining
9 balance of the loan, whichever is less; provided, however,
10 that, if the loan bears interest, the repayment may be
11 structured as approximate level debt service payments for each
12 full year of the loan. All repayments of loans and interest on
13 those moneys earned while they are held by the Authority shall
14 be retained by the Authority and used solely for the purposes
15 for which the moneys may otherwise be used under this Section
16 ~~deposited into the Fire Station Revolving Loan Fund.~~

17 (d) The Authority and the State Fire Marshal may adopt
18 rules in accordance with the Illinois Administrative Procedure
19 Act to administer the program.

20 (Source: P.A. 96-135, eff. 8-7-09; 96-1172, eff. 7-22-10;
21 97-901, eff. 1-1-13.)

22 (20 ILCS 3501/825-85)

23 Sec. 825-85. Ambulance revolving loan program.

24 (a) The Authority and the State Fire Marshal may jointly
25 administer an ambulance revolving loan program. The program

1 shall, in instances where sufficient loan funds exist to permit
2 applications to be accepted, provide zero-interest and
3 low-interest loans for the purchase of ambulances by a fire
4 department, a fire protection district, a township fire
5 department, or a non-profit ambulance service. The Authority
6 shall make loans based on need, as determined by the State Fire
7 Marshal.

8 (b) The loan funds ~~may, subject to appropriation, shall be~~
9 paid: (1) subject to appropriation pursuant to subsection (b-1)
10 of this Section, out of the Ambulance Revolving Loan Fund, a
11 special fund in the State treasury; (2) out of moneys retained
12 by the Authority (and interest thereon) from the repayment of
13 loans pursuant to subsection (c) of this Section; or (3) out of
14 a combination of items (1) and (2). The Fund shall consist of
15 any moneys transferred or appropriated into the Fund, ~~as well~~
16 ~~as all repayments of loans made under the program.~~ The
17 Ambulance Revolving Loan Fund shall be used for loans to fire
18 departments, fire protection districts, and non-profit
19 ambulance services to purchase ambulances and for no other
20 purpose. All interest earned on moneys in the Ambulance
21 Revolving Loan Fund shall be deposited into the Ambulance
22 Revolving Loan Fund. As soon as practical after the effective
23 date of this amendatory Act of the 97th General Assembly, all
24 moneys in the Ambulance Revolving Loan Fund shall be
25 transferred ~~paid~~ by the State Fire Marshal to the Authority,
26 and, on and after the effective date of this amendatory Act of

1 the 97th General Assembly, all future moneys deposited into the
2 Ambulance Revolving Loan Fund under this Section shall be
3 transferred ~~paid~~ by the State Fire Marshal to the Authority
4 under the continuing appropriation provision of subsection
5 (b-1) of this Section; provided that the Authority and the
6 State Fire Marshal enter into an intergovernmental agreement to
7 use the moneys transferred to the Authority from the Ambulance
8 Revolving Loan Fund and moneys retained by the Authority (and
9 interest thereon) from the repayment of loans pursuant to
10 subsection (c) of this Section solely for the purposes for
11 which the moneys may ~~would~~ otherwise be used under this Section
12 and to set forth procedures to otherwise administer the use of
13 the moneys.

14 (b-1) There is hereby appropriated, on a continuing annual
15 basis in each fiscal year, from the Ambulance Revolving Loan
16 Fund, the amount, if any, of funds received into the Ambulance
17 Revolving Loan Fund to the State Fire Marshal for payment to
18 the Authority for the purposes for which the moneys may ~~would~~
19 otherwise be used under this Section.

20 (c) A loan for the purchase of ambulances may not exceed
21 \$200,000 ~~\$100,000~~ to any fire department, fire protection
22 district, or non-profit ambulance service. The repayment
23 period for the loan may not exceed 10 years. The fire
24 department, fire protection district, or non-profit ambulance
25 service` shall repay each year at least 5% of the principal
26 amount borrowed or the remaining balance of the loan, whichever

1 is less. All repayments of loans and interest on those moneys
2 earned while they are held by the Authority shall be retained
3 by the Authority and used solely for the purposes for which the
4 moneys may otherwise be used under this Section ~~deposited into~~
5 ~~the Ambulance Revolving Loan Fund.~~

6 (d) The Authority and the State Fire Marshal may adopt
7 rules in accordance with the Illinois Administrative Procedure
8 Act to administer the program.

9 (Source: P.A. 97-901, eff. 1-1-13.)