

AN ACT concerning local government.

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

Section 5. The Quad Cities Regional Economic Development Authority Act, approved September 22, 1987 is amended by changing Section 9 as follows:

(70 ILCS 510/9) (from Ch. 85, par. 6209)

Sec. 9. Bonds and notes. (a) (1) The Authority may, with the written approval of the Governor, at any time and from time to time, issue bonds and notes for any corporate purpose, including the establishment of reserves and the payment of interest. In this Act the term "bonds" includes notes of any kind, interim certificates, refunding bonds or any other evidence of obligation.

(2) The bonds of any issue shall be payable solely from the property or receipts of the Authority, including, without limitation:

(I) fees, charges or other revenues payable to the Authority;

(II) payments by financial institutions, insurance companies, or others pursuant to letters or lines of credit, policies of insurance, or purchase agreements;

(III) investment earnings from funds or accounts

maintained pursuant to a bond resolution or trust agreement;  
and

(IV) proceeds of refunding bonds.

(3) Bonds shall be authorized by a resolution of the Authority and may be secured by a trust agreement by and between the Authority and a corporate trustee or trustees, which may be any trust company or bank having the powers of a trust company within or without the State. Bonds shall:

(I) be issued at, above or below par value, for cash or other valuable consideration, and mature at time or times, whether as serial bonds or as term bonds or both, not exceeding 40 years from their respective date of issue; however, the length of the term of the bond should bear a reasonable relationship to the value life of the item financed;

(II) bear interest at the fixed or variable rate or rates determined by the method provided in the resolution or trust agreement;

(III) be payable at a time or times, in the denominations and form, either coupon or registered or both, and carry the registration and privileges as to conversion and for the replacement of mutilated, lost or destroyed bonds as the resolution or trust agreement may provide;

(IV) be payable in lawful money of the United States at a designated place;

(V) be subject to the terms of purchase, payment, redemption, refunding or refinancing that the resolution or

trust agreement provides;

(VI) be executed by the manual or facsimile signatures of the officers of the Authority designated by the Authority, which signatures shall be valid at delivery even for one who has ceased to hold office; and

(VII) be sold in the manner and upon the terms determined by the Authority.

(b) Any resolution or trust agreement may contain provisions which shall be a part of the contract with the holders of the bonds as to:

(1) pledging, assigning or directing the use, investment or disposition of receipts of the Authority or proceeds or benefits of any contract and conveying or otherwise securing any property or property rights;

(2) the setting aside of loan funding deposits, debt service reserves, capitalized interest accounts, cost of issuance accounts and sinking funds, and the regulations, investment and disposition thereof;

(3) limitations on the purpose to which or the investments in which the proceeds of sale of any issue of bonds may be applied and restrictions to investment of revenues or bond proceeds in government obligations for which principal and interest are unconditionally guaranteed by the United States of America;

(4) limitations on the issue of additional bonds, the terms upon which additional bonds may be issued and secured, the

terms upon which additional bonds may rank on a parity with, or be subordinate or superior to, other bonds;

(5) the refunding or refinancing of outstanding bonds;

(6) the procedure, if any, by which the terms of any contract with bondholders may be altered or amended and the amount of bonds and holders of which must consent thereto, and the manner in which consent shall be given;

(7) defining the acts or omissions which shall constitute a default in the duties of the Authority to holders of bonds and providing the rights or remedies of such holders in the event of a default which may include provisions restricting individual right of action by bondholders;

(8) providing for guarantees, pledges of property, letters of credit, or other security, or insurance for the benefit of bondholders; and

(9) any other matter relating to the bonds which the Authority determines appropriate.

(c) No member of the Authority nor any person executing the bonds shall be liable personally on the bonds or subject to any personal liability by reason of the issuance of the bonds.

(d) The Authority may enter into agreements with agents, banks, insurers or others for the purpose of enhancing the marketability of or as security for its bonds.

(e)(1) A pledge by the Authority of revenues as security for an issue of bonds shall be valid and binding from the time when the pledge is made.

(2) The revenues pledged shall immediately be subject to the lien of the pledge without any physical delivery or further act, and the lien of any pledge shall be valid and binding against any person having any claim of any kind in tort, contract or otherwise against the Authority, irrespective of whether the person has notice.

(3) No resolution, trust agreement or financing statement, continuation statement, or other instrument adopted or entered into by the Authority need be filed or recorded in any public record other than the records of the authority in order to perfect the lien against third persons, regardless of any contrary provision of law.

(f) The Authority may issue bonds to refund any of its bonds then outstanding, including the payment of any redemption premium and any interest accrued or to accrue to the earliest or any subsequent date of redemption, purchase or maturity of the bonds. Refunding bonds may be issued for the public purposes of realizing savings in the effective costs of debt service, directly or through a debt restructuring, for alleviating impending or actual default and may be issued in one or more series in an amount in excess of that of the bonds to be refunded.

(g) Bonds or notes of the Authority may be sold by the Authority through the process of competitive bid or negotiated sale.

(h) At no time shall the total outstanding bonds and notes

of the Authority exceed \$250 ~~\$100~~ million.

(i) The bonds and notes of the Authority shall not be debts of the State.

(j) In no event may proceeds of bonds or notes issued by the Authority be used to finance any structure which is not constructed pursuant to an agreement between the Authority and a party, which provides for the delivery by the party of a completed structure constructed pursuant to a fixed price contract, and which provides for the delivery of such structure at such fixed price to be insured or guaranteed by a third party determined by the Authority to be capable of completing construction of such a structure.

(Source: P.A. 85-713.)

Section 10. The Quad Cities Regional Economic Development Authority Act, certified December 30, 1987 is amended by changing Section 9 as follows:

(70 ILCS 515/9) (from Ch. 85, par. 6509)

Sec. 9. Bonds and notes. (a) (1) The Authority may, with the written approval of the Governor, at any time and from time to time, issue bonds and notes for any corporate purpose, including the establishment of reserves and the payment of interest. In this Act the term "bonds" includes notes of any kind, interim certificates, refunding bonds or any other evidence of obligation.

(2) The bonds of any issue shall be payable solely from the property or receipts of the Authority, including, without limitation:

(I) fees, charges or other revenues payable to the Authority;

(II) payments by financial institutions, insurance companies, or others pursuant to letters or lines of credit, policies of insurance, or purchase agreements;

(III) investment earnings from funds or accounts maintained pursuant to a bond resolution or trust agreement; and

(IV) proceeds of refunding bonds.

(3) Bonds shall be authorized by a resolution of the Authority and may be secured by a trust agreement by and between the Authority and a corporate trustee or trustees, which may be any trust company or bank having the powers of a trust company within or without the State. Bonds shall:

(I) be issued at, above or below par value, for cash or other valuable consideration, and mature at time or times, whether as serial bonds or as term bonds or both, not exceeding 40 years from their respective date of issue; however, the length of the term of the bond should bear a reasonable relationship to the value life of the item financed;

(II) bear interest at the fixed or variable rate or rates determined by the method provided in the resolution or trust agreement;

(III) be payable at a time or times, in the denominations and form, either coupon or registered or both, and carry the registration and privileges as to conversion and for the replacement of mutilated, lost or destroyed bonds as the resolution or trust agreement may provide;

(IV) be payable in lawful money of the United States at a designated place;

(V) be subject to the terms of purchase, payment, redemption, refunding or refinancing that the resolution or trust agreement provides;

(VI) be executed by the manual or facsimile signatures of the officers of the Authority designated by the Authority, which signatures shall be valid at delivery even for one who has ceased to hold office; and

(VII) be sold in the manner and upon the terms determined by the Authority.

(b) Any resolution or trust agreement may contain provisions which shall be a part of the contract with the holders of the bonds as to:

(1) pledging, assigning or directing the use, investment or disposition of receipts of the Authority or proceeds or benefits of any contract and conveying or otherwise securing any property or property rights;

(2) the setting aside of loan funding deposits, debt service reserves, capitalized interest accounts, cost of issuance accounts and sinking funds, and the regulations,



investment and disposition thereof;

(3) limitations on the purpose to which or the investments in which the proceeds of sale of any issue of bonds may be applied and restrictions to investment of revenues or bond proceeds in government obligations for which principal and interest are unconditionally guaranteed by the United States of America;

(4) limitations on the issue of additional bonds, the terms upon which additional bonds may be issued and secured, the terms upon which additional bonds may rank on a parity with, or be subordinate or superior to, other bonds;

(5) the refunding or refinancing of outstanding bonds;

(6) the procedure, if any, by which the terms of any contract with bondholders may be altered or amended and the amount of bonds and holders of which must consent thereto, and the manner in which consent shall be given;

(7) defining the acts or omissions which shall constitute a default in the duties of the Authority to holders of bonds and providing the rights or remedies of such holders in the event of a default which may include provisions restricting individual right of action by bondholders;

(8) providing for guarantees, pledges of property, letters of credit, or other security, or insurance for the benefit of bondholders; and

(9) any other matter relating to the bonds which the Authority determines appropriate.

(c) No member of the Authority nor any person executing the bonds shall be liable personally on the bonds or subject to any personal liability by reason of the issuance of the bonds.

(d) The Authority may enter into agreements with agents, banks, insurers or others for the purpose of enhancing the marketability of or as security for its bonds.

(e) (1) A pledge by the Authority of revenues as security for an issue of bonds shall be valid and binding from the time when the pledge is made.

(2) The revenues pledged shall immediately be subject to the lien of the pledge without any physical delivery or further act, and the lien of any pledge shall be valid and binding against any person having any claim of any kind in tort, contract or otherwise against the Authority, irrespective of whether the person has notice.

(3) No resolution, trust agreement or financing statement, continuation statement, or other instrument adopted or entered into by the Authority need be filed or recorded in any public record other than the records of the authority in order to perfect the lien against third persons, regardless of any contrary provision of law.

(f) The Authority may issue bonds to refund any of its bonds then outstanding, including the payment of any redemption premium and any interest accrued or to accrue to the earliest or any subsequent date of redemption, purchase or maturity of the bonds. Refunding bonds may be issued for the public

purposes of realizing savings in the effective costs of debt service, directly or through a debt restructuring, for alleviating impending or actual default and may be issued in one or more series in an amount in excess of that of the bonds to be refunded.

(g) Bonds or notes of the Authority may be sold by the Authority through the process of competitive bid or negotiated sale.

(h) At no time shall the total outstanding bonds and notes of the Authority exceed \$250 ~~\$100~~ million.

(i) The bonds and notes of the Authority shall not be debts of the State.

(j) In no event may proceeds of bonds or notes issued by the Authority be used to finance any structure which is not constructed pursuant to an agreement between the Authority and a party, which provides for the delivery by the party of a completed structure constructed pursuant to a fixed price contract, and which provides for the delivery of such structure at such fixed price to be insured or guaranteed by a third party determined by the Authority to be capable of completing construction of such a structure.

(Source: P.A. 85-988.)

(70 ILCS 510/9.1 rep.)

Section 15. The Quad Cities Regional Economic Development Authority Act, approved September 22, 1987 is amended by

Public Act 096-0196

HB1089 Enrolled

LRB096 07999 RLJ 18103 b

repealing Section 9.1.

(70 ILCS 515/9.1 rep.)

Section 20. The Quad Cities Regional Economic Development Authority Act, certified December 30, 1987 is amended by repealing Section 9.1.