

1 AN ACT concerning State government.

2 WHEREAS, The State of Illinois has a strategic interest in
3 the operations of the Illinois International Port District and
4 its Board, whose function is to develop the District's port and
5 harbor facilities, issue construction permits, regulate the
6 District's facilities and waterways, establish and operate
7 foreign trade zones, and govern and administer all the District
8 area within Chicago's corporate limits; and

9 WHEREAS, The Illinois International Port District is a very
10 significant driver of freight movement and economic activity
11 throughout the State of Illinois, including the downstate
12 waterways and especially the Mississippi River and the Illinois
13 River; and

14 WHEREAS, In 2010, cargo shipments at the Port of Chicago
15 directly or indirectly supported 6,930 jobs and generated
16 \$425,000,000 in revenue for Illinois firms, according to the
17 Washington D.C.-based American Great Lakes Ports Association;
18 and

19 WHEREAS, The Port of Chicago links rail and trucking lines
20 with barges and ships supplying the Great Lakes and nearby
21 rivers and handles an estimated 26,000,000 cargo tons annually
22 throughout its 1,500 acre complex on the far south side,
23 according to a recent estimate by a consortium of Great Lakes

1 shipping interests; and

2 WHEREAS, In 1978, the Capital Development Board provided
3 funds to the Illinois International Port District as authorized
4 by Section 13 of the Capital Development Board Act, which
5 provides for repayment by the Illinois International Port
6 District using a flexible formula based on specified levels of
7 revenues and profits; and

8 WHEREAS, In the over 30 years since that payment from the
9 Capital Development Board, the Illinois International Port
10 District has never been required to make a single payment to
11 the Capital Development Board because it has never reached the
12 levels of revenues and profits that would require such payment;
13 and

14 WHEREAS, The Capital Development Board annually certifies
15 to the Illinois International Port District that it owes no
16 payment for the year to the Capital Development Board; and

17 WHEREAS, It is virtually impossible that the Illinois
18 International Port District will ever reach the level of
19 revenues and profits that would require it to make a payment to
20 the Capital Development Board; and

21 WHEREAS, In its financial statements for each year since at

1 least 2005, the Capital Development Board has "reserved" the
2 entire amount lent to the Illinois International Port District,
3 indicating that it does not expect any payments under the loan,
4 and that non-payment of the loan would not require any future
5 or present cash outlay by the Capital Development Board or the
6 State; and

7 WHEREAS, For the reasons discussed above, the existence of
8 this debt is of no value whatsoever to the State and serves
9 only to limit the investment in the Port of Chicago and the
10 amount of economic activity throughout Illinois water and rail
11 lines; and

12 WHEREAS, Official forgiveness of the obligation from the
13 Illinois International Port District to the Capital
14 Development Board would benefit the entire State of Illinois by
15 allowing greater investment in the State's waterways and
16 freight facilities; therefore

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

19 Section 5. The Capital Development Board Act is amended by
20 changing Section 13 as follows:

21 (20 ILCS 3105/13) (from Ch. 127, par. 783)

1 Sec. 13. The Board may provide cargo handling facilities
2 and facilities designed for the movement of cargo to or from
3 cargo handling facilities for the use of regional port
4 districts. Pursuant to appropriations setting forth specific
5 projects and regional port districts, the Board shall contract
6 with the regional port district named in the Act making the
7 appropriation for cargo handling facilities. Such contract
8 shall provide that the regional port district shall remit to
9 the State of Illinois an amount equal to not more than 20% of
10 the gross receipts attributable to those facilities, and not
11 less than 20% of the profit attributable to those facilities,
12 whether collected by the regional port district or through an
13 operator or other intermediary, until the full amount
14 appropriated and expended by the State of Illinois has been
15 remitted to the State. The exact amount of, the manner of, the
16 method of and the time for such remittances shall be agreed
17 upon by the particular port district and the Board acting
18 through its Executive Director, and such agreement may, from
19 time to time, be amended by the parties so as to alter or
20 modify the amount of, manner of, method of and time for the
21 remittance, including, but not limited to, the temporary
22 forgiveness, suspension or delay of the remittances not to
23 exceed 24 months for any single suspension or delay. The
24 payback is subordinate solely to any outstanding public bond
25 agreements existing at the time of the contract and solely for
26 the period of time of the running of those bond agreements. For

1 any contract entered into under this Section, if, for a period
2 of 25 years, a regional port district has not been required to
3 remit any amount because the regional port district has failed
4 to achieve the required level of profit, then the regional port
5 district shall not be required to remit any amount under the
6 contract.

7 This Section shall apply to all regional port district
8 facilities to be constructed by the Board, including projects
9 for which appropriations or reappropriations have been made
10 prior to June 30, 1976, and to all contracts existing prior to
11 the effective date of this amendatory Act of 1985 as well as
12 contracts entered into on or after such date.

13 (Source: P.A. 84-781.)

14 Section 99. Effective date. This Act takes effect upon
15 becoming law.