



Rep. Norine K. Hammond

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LRB100 17741 AXK 40729 a

1 AMENDMENT TO SENATE BILL 2969

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2969 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State University Certificates of  
5 Participation Act is amended by changing Sections 30 and 90 and  
6 by adding Section 35 as follows:

7 (110 ILCS 73/30)

8 Sec. 30. Debt limit. The maximum annual debt service for a  
9 State University's total certificate of participation  
10 obligation must not exceed the following:

11 (1) For the University of Illinois, \$200,000,000  
12 ~~\$100,000,000~~.

13 (2) For Southern Illinois University, \$40,000,000  
14 ~~\$20,000,000~~.

15 (3) For Northern Illinois University, \$40,000,000  
16 ~~\$20,000,000~~.

1 (4) For Illinois State University, \$40,000,000

2 ~~\$10,000,000.~~

3 (5) For Western Illinois University, \$20,000,000

4 ~~\$10,000,000.~~

5 (6) For Eastern Illinois University, \$20,000,000

6 ~~\$10,000,000.~~

7 (7) For Northeastern Illinois University, \$10,000,000

8 ~~\$5,000,000.~~

9 (8) For Chicago State University, \$10,000,000

10 ~~\$5,000,000.~~

11 (9) For Governors State University, \$10,000,000

12 ~~\$5,000,000.~~

13 (Source: P.A. 96-15, eff. 6-22-09.)

14 (110 ILCS 73/35 new)

15 Sec. 35. Certificates of participation for capital  
16 improvements.

17 (a) The power of the Board of any State University to enter  
18 into contracts shall include the power to enter into financing  
19 agreements in connection with the financing of capital  
20 improvements, including technology or other related  
21 improvements, by selling certificates of participation in the  
22 installment payments made under the financing agreements.  
23 These financing agreements may be entered into for any period  
24 of time not to exceed 30 years, but may not exceed the useful  
25 life of the capital improvement.

1       (b) Upon determination by the Board to undertake a  
2 transaction for the sale of certificates of participation and  
3 to enter into related financing agreements in connection with  
4 the financing of capital improvements, the Board shall adopt a  
5 resolution or resolutions describing generally the  
6 contemplated facilities or a combination of facilities  
7 designated as the project, the estimated costs of the project,  
8 and any additional relevant information.

9       (c) Before the issuance of any certificate of  
10 participation, the Board or its representative shall appear  
11 before the Commission and present the details of the proposal.  
12 This presentation shall include any information the Commission  
13 requests in relation to the proposed certificate of  
14 participation issuance. This information shall include, but is  
15 not limited to, the amount being financed, the nature of the  
16 project being financed, the proposed funding stream to pay for  
17 the certificate issuance, the current outstanding indebtedness  
18 of the State University, and the status of all currently issued  
19 certificates of participation.

20       Upon receipt of a request by the Board for a certificate of  
21 participation presentation, the Commission shall hold a public  
22 hearing and, upon adoption by a vote of the majority of  
23 appointed members, issue a record of its findings no later than  
24 60 days after the request.

25       As part of the Commission's considerations and findings,  
26 the Commission shall consider the effect the issuance of a

1 certificate of participation shall have on the State  
2 University's annual debt service and overall fiscal condition.  
3 The Commission's findings must include a statement in which the  
4 Commission makes a recommendation to the Board as to how to  
5 proceed with the certificate of participation issuance. The  
6 recommendation shall be (i) "favorably recommended", (ii)  
7 "recommended with concerns", or (iii) "non-support of  
8 issuance". The Commission shall report the findings no later  
9 than 15 days after the hearing to all of the following:

10 (1) The Speaker of the House of Representatives.

11 (2) The Minority Leader of the House of  
12 Representatives.

13 (3) The President of the Senate.

14 (4) The Minority Leader of the Senate.

15 (5) The Governor's Office of Management and Budget.

16 (6) The President of the State University.

17 The reports to the General Assembly shall be filed with the  
18 Clerk of the House of Representatives and the Secretary of the  
19 Senate in electronic form only, in the manner that the Clerk  
20 and the Secretary shall direct.

21 Upon a finding of "non-support of issuance", the Board may  
22 not proceed with the issuance of the certificate of  
23 participation involved in the finding without the approval of  
24 the General Assembly through the adoption of a joint  
25 resolution.

26 (d) Each year, upon receipt of its external Auditor General

1 audit report, the Board shall file with the Commission a report  
2 containing the status of all outstanding certificates of  
3 participation the Board has issued and a copy of the annual  
4 budget as approved by the Board.

5 (e) Each issuance of a certificate of participation shall  
6 include within the appropriate documents related to its  
7 execution the following statement, which sets forth required  
8 limitations in relation to the certificate:

9 "The Board of Trustees' obligation to make payments  
10 does not constitute a debt of the Board or the State of  
11 Illinois within the meaning of any constitutional or  
12 statutory limitation. The installment payments required by  
13 certificates of participation incurred by the Board of  
14 Trustees are not secured by the full faith and credit of  
15 the State, are not required to be repaid, and may not be  
16 repaid, directly or indirectly, from tax revenue."

17 (f) The maximum annual debt service for the Board's total  
18 certificate of participation obligation must not exceed  
19 \$100,000,000.

20 (g) Nothing in this Section authorizes the Board to incur  
21 State debt, as defined under subsection (a) of Section 9 of  
22 Article IX of the Illinois Constitution.

23 (h) A State University with multiple campuses shall  
24 distribute funds derived from certificates of participation  
25 under this Section proportionately to its respective campuses  
26 based on the Current Replacement Value or level of deferred

1 maintenance need of each campus.

2 (110 ILCS 73/90)

3 Sec. 90. Expiration of Act. This Act applies until December  
4 31, 2028 ~~2014~~. However, the refunding of certificates of  
5 participation issued prior to December 31, 2028 ~~2014~~ in  
6 accordance with the Act is permitted.

7 (Source: P.A. 96-15, eff. 6-22-09.)

8 (110 ILCS 73/10 rep.)

9 (110 ILCS 73/15 rep.)

10 (110 ILCS 73/20 rep.)

11 (110 ILCS 73/25 rep.)

12 Section 10. The State University Certificates of  
13 Participation Act is amended by repealing Sections 10, 15, 20,  
14 and 25.

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