



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB0884

by Rep. Michael T. Marron

SYNOPSIS AS INTRODUCED:

20 ILCS 3501/820-65 new
30 ILCS 105/5.891 new

Amends the Illinois Finance Authority Act. Provides that the Illinois Finance Authority may administer a local infrastructure revolving loan program. Provides that the program shall, in instances where sufficient loan funds exist to permit applications to be accepted, provide zero-interest and low-interest loans to units of local government to be used for specified infrastructure projects. Creates the Local Infrastructure Revolving Loan Fund, and provides for the use of the Fund. Provides for a continuing appropriation of moneys from the Fund to the Authority for payment to units of local government for specified purposes. Provides for the maximum amount of the loan to be given and repayment of the loan. Authorizes the Authority to adopt rules to administer the program. Amends the State Finance Act to provide for the Local Infrastructure Revolving Loan Fund.

LRB101 06788 RJF 51815 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

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 adding Section 820-65 as follows:

6 (20 ILCS 3501/820-65 new)

7 Sec. 820-65. Local infrastructure revolving loan program.

8 (a) The Authority may administer a local infrastructure
9 revolving loan program. The program shall, in instances where
10 sufficient loan funds exist to permit applications to be
11 accepted, provide zero-interest and low-interest loans to
12 units of the local government to be used for infrastructure
13 projects, including road projects, sidewalk and street light
14 improvements, and any project for which moneys in the Motor
15 Fuel Tax Fund are used. The Authority shall make loans based on
16 need, as determined by the Authority.

17 (b) The loan funds, subject to appropriation, shall be paid
18 out of the Local Infrastructure Revolving Loan Fund, which is
19 created as a special fund in the State treasury. The Fund shall
20 consist of any moneys transferred or appropriated into the
21 Fund, as well as all repayments of loans made under the
22 program. The Fund shall be used for loans to units of the local
23 government to be used for infrastructure projects, including

1 road projects, sidewalk and street light improvements, and any
2 project for which moneys in the Motor Fuel Tax Fund are used.
3 All interest earned on moneys in the Fund shall be deposited
4 into the Fund.

5 (c) There is hereby appropriated, on a continuing annual
6 basis in each fiscal year, from the Local Infrastructure
7 Revolving Loan Fund, the amount, if any, of funds received into
8 the Local Infrastructure Revolving Loan Fund to the Authority
9 for payment to units of local government for the purposes for
10 which the moneys would otherwise be used under this Section.

11 (d) A loan for infrastructure projects under this Section
12 may not exceed \$1,000,000 to any unit of local government. The
13 repayment period for the loan may not exceed 20 years. A unit
14 of local government receiving a loan under this Section shall
15 repay each year at least 5% of the principal amount borrowed or
16 the remaining balance of the loan, whichever is less. All
17 repayments of loans shall be deposited into the Local
18 Infrastructure Revolving Loan Fund.

19 (e) The Authority may adopt rules in accordance with the
20 Illinois Administrative Procedure Act to administer the
21 program.

22 Section 10. The State Finance Act is amended by adding
23 Section 5.891 as follows:

24 (30 ILCS 105/5.891 new)

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Sec. 5.891. The Local Infrastructure Revolving Loan Fund.