



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB5771

by Rep. Joe Sosnowski

SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Finance Authority Act. Creates the Five Year Loan Law as a new Article in the Illinois Finance Authority Act. Provides that the Illinois Finance Authority shall establish a Five Year Loan Office within the Authority. Provides further requirements concerning the operation of the Five Year Loan Office and the issuance of loans. Provides requirements concerning financing and charges related to the issuance of loans. Creates the Five Year Loan Office Advisory Board to oversee the operation of the Five Year Loan Office. Provides for the membership meetings, and powers of the Advisory Board. Provides for administrative support of the Advisory Board. Provides for the use of federal aid money. Provides for the adoption of rules, including emergency rules. Provides reporting requirements. Creates the Illinois Five Year Loan Fund as a special fund in the State treasury. Repeals the Five Year Loan Law Article on January 1, 2030. Amends the Illinois Administrative Procedure Act to provide for emergency rulemaking. Amends the State Finance Act to create the Illinois Five Year Loan Fund. Makes conforming changes. Effective immediately.

LRB101 21128 RJF 71641 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 Administrative Procedure Act is
5 amended by adding Section 5-45.1 as follows:

6 (5 ILCS 100/5-45.1 new)

7 Sec. 5-45.1. Emergency rulemaking; Five Year Loan Law. To
8 provide for the expeditious and timely implementation of the
9 Five Year Loan Law, emergency rules implementing the Five Year
10 Loan Law may be adopted in accordance with Section 5-45 by the
11 Illinois Finance Authority. The adoption of emergency rules
12 authorized by Section 5-45 and this Section is deemed to be
13 necessary for the public interest, safety, and welfare.

14 This Section is repealed on January 1, 2026.

15 Section 10. The Illinois Finance Authority Act is amended
16 by changing Section 801-1 and by adding Article 850 as follows:

17 (20 ILCS 3501/801-1)

18 Sec. 801-1. Short Title. Articles 801 through 850 ~~845~~ of
19 this Act may be cited as the Illinois Finance Authority Act.
20 References to "this Act" in Articles 801 through 850 ~~845~~ are
21 references to the Illinois Finance Authority Act.

1 (Source: P.A. 95-331, eff. 8-21-07.)

2 (20 ILCS 3501/Art. 850 heading new)

3 ARTICLE 850

4 FIVE YEAR LOAN LAW

5 (20 ILCS 3501/850-1 new)

6 Sec. 850-1. Article title. This Article may be referred to
7 as the Five Year Loan Law.

8 (20 ILCS 3501/850-5 new)

9 Sec. 850-5. Purpose. The purpose of this Article is to
10 provide medium-term financial assistance to individuals that
11 are residing within Illinois and to businesses domiciled within
12 Illinois as of the effective date of this amendatory Act of the
13 101st General Assembly.

14 (20 ILCS 3501/850-10 new)

15 Sec. 850-10. Five Year Loan Office.

16 (a) The Authority shall establish a Five Year Loan Office
17 within the Authority. The Office shall implement and administer
18 the requirements of this Article. The Executive Director of the
19 Authority shall appoint a Director as head of the Office who
20 shall be under the authority of the Executive Director.

21 (b) The Five Year Loan Office shall loan money from the
22 Illinois Five Year Loan Fund to eligible persons under this

1 Article. Each loan shall mature not more than 5 years after the
2 date from which it is made. No loan made under this Article
3 shall be made on a date later than 12 months after the
4 effective date of this amendatory Act of the 101st General
5 Assembly.

6 (20 ILCS 3501/850-15 new)

7 Sec. 850-15. Financing and charges. No loan made under this
8 Article shall: (i) bear principal repayment charges until the
9 expiration of 6 months after the loan is made; (ii) bear
10 interest until the expiration of 12 months after the loan is
11 made; or (iii) change loan-origination charges or
12 loan-commencement fees of any sort.

13 (20 ILCS 3501/850-20 new)

14 Sec. 850-20. Five Year Loan Office Advisory Board.

15 (a) The Five Year Loan Office Advisory Board is hereby
16 created within the Authority to oversee the operation of the
17 Five Year Loan Office.

18 (b) The Advisory Board shall consist of the following
19 members: (i) 2 persons appointed by the Governor, one of whom
20 shall be the chairperson of the Advisory Board; (ii) the
21 Executive Director of the Authority, or his or her designate;
22 (iii) one person appointed by the Governor who is designated by
23 the largest Illinois banking association within the State; (iv)
24 one person appointed by the Governor who is designated by the

1 largest Illinois community banking association within the
2 State; (v) one person appointed by the Governor who is
3 designated by the largest association representing Illinois
4 small businesses within the State; and (vi) one person
5 appointed by the Director of Employment Security to represent
6 the interests of unemployed individuals.

7 (c) The Advisory Board shall meet at least once every
8 quarter. Members of the Advisory Board shall receive no
9 compensation for serving as members. The Advisory Board shall
10 have access to all of the books and records of the Five Year
11 Loan Office created under this Article. The Advisory Board is
12 exempt from the provisions of the Open Meetings Act requiring
13 that the members of a public body meet in person. The Authority
14 shall provide administrative and other support to the Advisory
15 Board.

16 (20 ILCS 3501/850-25 new)

17 Sec. 850-25. Federal aid. Any moneys, and any loan
18 authority to use such moneys, from the federal government
19 allocated to Illinois in response to the economic conditions of
20 calendar year 2020 for the purpose of providing loan assistance
21 to affected individuals and small businesses shall be deposited
22 into the Illinois Five Year Loan Fund and loaned out as
23 provided under this Article.

24 (20 ILCS 3501/850-30 new)

1 Sec. 850-30. Rules. The Authority shall adopt rules,
2 including emergency rules under Section 5-45 of the Illinois
3 Administrative Procedure Act, to implement the provisions of
4 this Article.

5 (20 ILCS 3501/850-35 new)

6 Sec. 850-35. Reports. The Five Year Loan Office shall
7 prepare and file quarterly reports with the Governor and
8 General Assembly on the implementation of this Article. Each
9 report shall be submitted on or before April 30, July 31,
10 October 31, and January 31 of each calendar year that this
11 Article is in effect, with each report serving as an
12 opportunity to summarize the implementation of this Article
13 during the calendar quarter concluding one month before each
14 reporting deadline. The January 31 report shall also serve as a
15 report summarizing the implementation and administration of
16 this Article for the previous calendar year, including any
17 suggestions for improving the services provided under this
18 Article.

19 (20 ILCS 3501/850-40 new)

20 Sec. 850-40. Illinois Five Year Loan Fund. The Illinois
21 Five Year Loan Fund is created as a special fund in the State
22 treasury. Moneys in the Illinois Five Year Loan Fund, subject
23 to appropriation, shall be used for issuing loans as provided
24 under this Article.

1 (20 ILCS 3501/850-45 new)

2 Sec. 850-45. Repeal. This Article is repealed on January 1,
3 2030.

4 Section 15. The State Finance Act is amended by adding
5 Section 5.930 as follows:

6 (30 ILCS 105/5.930 new)

7 Sec. 5.930. The Illinois Five Year Loan Fund.

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.

1 INDEX

2 Statutes amended in order of appearance

3 5 ILCS 100/5-45.1 new

4 20 ILCS 3501/801-1

5 20 ILCS 3501/Art. 850

6 heading new

7 20 ILCS 3501/850-1 new

8 20 ILCS 3501/850-5 new

9 20 ILCS 3501/850-10 new

10 20 ILCS 3501/850-15 new

11 20 ILCS 3501/850-20 new

12 20 ILCS 3501/850-25 new

13 20 ILCS 3501/850-30 new

14 20 ILCS 3501/850-35 new

15 20 ILCS 3501/850-40 new

16 20 ILCS 3501/850-45 new

17 30 ILCS 105/5.930 new