

SB2522



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB2522

Introduced 1/28/2020, by Sen. Sue Rezin

SYNOPSIS AS INTRODUCED:

415 ILCS 5/19.3

from Ch. 111 1/2, par. 1019.3

Amends the Environmental Protection Act. Provides that a wastewater treatment facility located in the Village of Lisbon in Kendall County is allowed to apply for the Water Pollution Control Loan Program for the purposes of refinancing existing debt. Effective immediately.

LRB101 14773 LNS 63732 b

A BILL FOR

1 AN ACT concerning safety.

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

4 Section 5. The Environmental Protection Act is amended by
5 changing Section 19.3 as follows:

6 (415 ILCS 5/19.3) (from Ch. 111 1/2, par. 1019.3)

7 (Text of Section before amendment by P.A. 101-143)

8 Sec. 19.3. Water Revolving Fund.

9 (a) There is hereby created within the State Treasury a
10 Water Revolving Fund, consisting of 3 interest-bearing special
11 programs to be known as the Water Pollution Control Loan
12 Program, the Public Water Supply Loan Program, and the Loan
13 Support Program, which shall be used and administered by the
14 Agency.

15 (b) The Water Pollution Control Loan Program shall be used
16 and administered by the Agency to provide assistance for the
17 following purposes:

18 (1) to accept and retain funds from grant awards,
19 appropriations, transfers, and payments of interest and
20 principal;

21 (2) to make direct loans at or below market interest
22 rates and to provide additional subsidization, including,
23 but not limited to, forgiveness of principal, negative

1 interest rates, and grants, to any eligible local
2 government unit to finance the construction of treatments
3 works, including storm water treatment systems that are
4 treatment works, and projects that fulfill federal State
5 Revolving Fund grant requirements for a green project
6 reserve;

7 (2.5) with respect to funds provided under the American
8 Recovery and Reinvestment Act of 2009:

9 (A) to make direct loans at or below market
10 interest rates to any eligible local government unit
11 and to provide additional subsidization to any
12 eligible local government unit, including, but not
13 limited to, forgiveness of principal, negative
14 interest rates, and grants;

15 (B) to make direct loans at or below market
16 interest rates to any eligible local government unit to
17 buy or refinance debt obligations for treatment works
18 incurred on or after October 1, 2008; and

19 (C) to provide additional subsidization,
20 including, but not limited to, forgiveness of
21 principal, negative interest rates, and grants for
22 treatment works incurred on or after October 1, 2008;

23 (3) to make direct loans at or below market interest
24 rates and to provide additional subsidization, including,
25 but not limited to, forgiveness of principal, negative
26 interest rates, and grants, to any eligible local

1 government unit to buy or refinance debt obligations for
2 costs incurred after March 7, 1985, for the construction of
3 treatment works, including storm water treatment systems
4 that are treatment works, and projects that fulfill federal
5 State Revolving Fund grant requirements for a green project
6 reserve;

7 (3.5) to make loans, including, but not limited to,
8 loans through a linked deposit program, at or below market
9 interest rates for the implementation of a management
10 program established under Section 319 of the Federal Water
11 Pollution Control Act, as amended;

12 (4) to guarantee or purchase insurance for local
13 obligations where such action would improve credit market
14 access or reduce interest rates;

15 (5) as a source of revenue or security for the payment
16 of principal and interest on revenue or general obligation
17 bonds issued by the State or any political subdivision or
18 instrumentality thereof, if the proceeds of such bonds will
19 be deposited in the Fund;

20 (6) to finance the reasonable costs incurred by the
21 Agency in the administration of the Fund;

22 (7) to transfer funds to the Public Water Supply Loan
23 Program; and

24 (8) notwithstanding any other provision of this
25 subsection (b), to provide, in accordance with rules
26 adopted under this Title, any other financial assistance

1 that may be provided under Section 603 of the Federal Water
2 Pollution Control Act for any other projects or activities
3 eligible for assistance under that Section or federal rules
4 adopted to implement that Section.

5 (b-5) The wastewater treatment facility located in the
6 Village of Lisbon in Kendall County, specifically located at
7 200 East Joliet Street, is allowed to apply for the Water
8 Pollution Control Loan Program for the purposes of refinancing
9 existing debt.

10 (c) The Loan Support Program shall be used and administered
11 by the Agency for the following purposes:

12 (1) to accept and retain funds from grant awards and
13 appropriations;

14 (2) to finance the reasonable costs incurred by the
15 Agency in the administration of the Fund, including
16 activities under Title III of this Act, including the
17 administration of the State construction grant program;

18 (3) to transfer funds to the Water Pollution Control
19 Loan Program and the Public Water Supply Loan Program;

20 (4) to accept and retain a portion of the loan
21 repayments;

22 (5) to finance the development of the low interest loan
23 programs for water pollution control and public water
24 supply projects;

25 (6) to finance the reasonable costs incurred by the
26 Agency to provide technical assistance for public water

1 supplies; and

2 (7) to finance the reasonable costs incurred by the
3 Agency for public water system supervision programs, to
4 administer or provide for technical assistance through
5 source water protection programs, to develop and implement
6 a capacity development strategy, to delineate and assess
7 source water protection areas, and for an operator
8 certification program in accordance with Section 1452 of
9 the federal Safe Drinking Water Act.

10 (d) The Public Water Supply Loan Program shall be used and
11 administered by the Agency to provide assistance to local
12 government units and privately owned community water supplies
13 for public water supplies for the following public purposes:

14 (1) to accept and retain funds from grant awards,
15 appropriations, transfers, and payments of interest and
16 principal;

17 (2) to make direct loans at or below market interest
18 rates and to provide additional subsidization, including,
19 but not limited to, forgiveness of principal, negative
20 interest rates, and grants, to any eligible local
21 government unit or to any eligible privately owned
22 community water supply to finance the construction of water
23 supplies and projects that fulfill federal State Revolving
24 Fund grant requirements for a green project reserve;

25 (2.5) with respect to funds provided under the American
26 Recovery and Reinvestment Act of 2009:

1 (A) to make direct loans at or below market
2 interest rates to any eligible local government unit or
3 to any eligible privately owned community water
4 supply, and to provide additional subsidization to any
5 eligible local government unit or to any eligible
6 privately owned community water supply, including, but
7 not limited to, forgiveness of principal, negative
8 interest rates, and grants;

9 (B) to buy or refinance the debt obligation of a
10 local government unit for costs incurred on or after
11 October 1, 2008; and

12 (C) to provide additional subsidization,
13 including, but not limited to, forgiveness of
14 principal, negative interest rates, and grants for a
15 local government unit for costs incurred on or after
16 October 1, 2008;

17 (3) to make direct loans at or below market interest
18 rates and to provide additional subsidization, including,
19 but not limited to, forgiveness of principal, negative
20 interest rates, and grants, to any eligible local
21 government unit or to any eligible privately owned
22 community water supply to buy or refinance debt obligations
23 for costs incurred on or after July 17, 1997, for the
24 construction of water supplies and projects that fulfill
25 federal State Revolving Fund requirements for a green
26 project reserve;

1 (4) to guarantee local obligations where such action
2 would improve credit market access or reduce interest
3 rates;

4 (5) as a source of revenue or security for the payment
5 of principal and interest on revenue or general obligation
6 bonds issued by the State or any political subdivision or
7 instrumentality thereof, if the proceeds of such bonds will
8 be deposited into the Fund;

9 (6) to transfer funds to the Water Pollution Control
10 Loan Program; and

11 (7) notwithstanding any other provision of this
12 subsection (d), to provide to local government units and
13 privately owned community water supplies any other
14 financial assistance that may be provided under Section
15 1452 of the federal Safe Drinking Water Act for any
16 expenditures eligible for assistance under that Section or
17 federal rules adopted to implement that Section.

18 (e) The Agency is designated as the administering agency of
19 the Fund. The Agency shall submit to the Regional Administrator
20 of the United States Environmental Protection Agency an
21 intended use plan which outlines the proposed use of funds
22 available to the State. The Agency shall take all actions
23 necessary to secure to the State the benefits of the federal
24 Water Pollution Control Act and the federal Safe Drinking Water
25 Act, as now or hereafter amended.

26 (f) The Agency shall have the power to enter into

1 intergovernmental agreements with the federal government or
2 the State, or any instrumentality thereof, for purposes of
3 capitalizing the Water Revolving Fund. Moneys on deposit in the
4 Water Revolving Fund may be used for the creation of reserve
5 funds or pledged funds that secure the obligations of repayment
6 of loans made pursuant to this Section. For the purpose of
7 obtaining capital for deposit into the Water Revolving Fund,
8 the Agency may also enter into agreements with financial
9 institutions and other persons for the purpose of selling loans
10 and developing a secondary market for such loans. The Agency
11 shall have the power to create and establish such reserve funds
12 and accounts as may be necessary or desirable to accomplish its
13 purposes under this subsection and to allocate its available
14 moneys into such funds and accounts. Investment earnings on
15 moneys held in the Water Revolving Fund, including any reserve
16 fund or pledged fund, shall be deposited into the Water
17 Revolving Fund.

18 (Source: P.A. 98-782, eff. 7-23-14; 99-187, eff. 7-29-15;
19 99-922, eff. 1-17-17.)

20 (Text of Section after amendment by P.A. 101-143)

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25 Program, the Public Water Supply Loan Program, and the Loan

1 Support Program, which shall be used and administered by the
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4 and administered by the Agency to provide assistance for the
5 following purposes:

6 (1) to accept and retain funds from grant awards,
7 appropriations, transfers, and payments of interest and
8 principal;

9 (2) to make direct loans at or below market interest
10 rates and to provide additional subsidization, including,
11 but not limited to, forgiveness of principal, negative
12 interest rates, and grants, to any eligible local
13 government unit to finance the construction of treatments
14 works, including storm water treatment systems that are
15 treatment works, and projects that fulfill federal State
16 Revolving Fund grant requirements for a green project
17 reserve;

18 (2.5) with respect to funds provided under the American
19 Recovery and Reinvestment Act of 2009:

20 (A) to make direct loans at or below market
21 interest rates to any eligible local government unit
22 and to provide additional subsidization to any
23 eligible local government unit, including, but not
24 limited to, forgiveness of principal, negative
25 interest rates, and grants;

26 (B) to make direct loans at or below market

1 interest rates to any eligible local government unit to
2 buy or refinance debt obligations for treatment works
3 incurred on or after October 1, 2008; and

4 (C) to provide additional subsidization,
5 including, but not limited to, forgiveness of
6 principal, negative interest rates, and grants for
7 treatment works incurred on or after October 1, 2008;

8 (3) to make direct loans at or below market interest
9 rates and to provide additional subsidization, including,
10 but not limited to, forgiveness of principal, negative
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12 government unit to buy or refinance debt obligations for
13 costs incurred after March 7, 1985, for the construction of
14 treatment works, including storm water treatment systems
15 that are treatment works, and projects that fulfill federal
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19 loans through a linked deposit program, at or below market
20 interest rates for the implementation of a management
21 program established under Section 319 of the Federal Water
22 Pollution Control Act, as amended;

23 (4) to guarantee or purchase insurance for local
24 obligations where such action would improve credit market
25 access or reduce interest rates;

26 (5) as a source of revenue or security for the payment

1 of principal and interest on revenue or general obligation
2 bonds issued by the State or any political subdivision or
3 instrumentality thereof, if the proceeds of such bonds will
4 be deposited in the Fund;

5 (6) to finance the reasonable costs incurred by the
6 Agency in the administration of the Fund;

7 (7) to transfer funds to the Public Water Supply Loan
8 Program; and

9 (8) notwithstanding any other provision of this
10 subsection (b), to provide, in accordance with rules
11 adopted under this Title, any other financial assistance
12 that may be provided under Section 603 of the Federal Water
13 Pollution Control Act for any other projects or activities
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16 (b-5) The wastewater treatment facility located in the
17 Village of Lisbon in Kendall County, specifically located at
18 200 East Joliet Street, is allowed to apply for the Water
19 Pollution Control Loan Program for the purposes of refinancing.

20 (c) The Loan Support Program shall be used and administered
21 by the Agency for the following purposes:

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23 appropriations;

24 (2) to finance the reasonable costs incurred by the
25 Agency in the administration of the Fund, including
26 activities under Title III of this Act, including the

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2 (3) to transfer funds to the Water Pollution Control
3 Loan Program and the Public Water Supply Loan Program;

4 (4) to accept and retain a portion of the loan
5 repayments;

6 (5) to finance the development of the low interest loan
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7 supplies and projects that fulfill federal State Revolving
8 Fund grant requirements for a green project reserve;

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18 interest rates, and grants;

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20 local government unit for costs incurred on or after
21 October 1, 2008; and

22 (C) to provide additional subsidization,
23 including, but not limited to, forgiveness of
24 principal, negative interest rates, and grants for a
25 local government unit for costs incurred on or after
26 October 1, 2008;

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2 rates and to provide additional subsidization, including,
3 but not limited to, forgiveness of principal, negative
4 interest rates, and grants, to any eligible local
5 government unit or to any eligible privately owned
6 community water supply to buy or refinance debt obligations
7 for costs incurred on or after July 17, 1997, for the
8 construction of water supplies and projects that fulfill
9 federal State Revolving Fund requirements for a green
10 project reserve;

11 (4) to guarantee local obligations where such action
12 would improve credit market access or reduce interest
13 rates;

14 (5) as a source of revenue or security for the payment
15 of principal and interest on revenue or general obligation
16 bonds issued by the State or any political subdivision or
17 instrumentality thereof, if the proceeds of such bonds will
18 be deposited into the Fund;

19 (6) to transfer funds to the Water Pollution Control
20 Loan Program; and

21 (7) notwithstanding any other provision of this
22 subsection (d), to provide to local government units and
23 privately owned community water supplies any other
24 financial assistance that may be provided under Section
25 1452 of the federal Safe Drinking Water Act for any
26 expenditures eligible for assistance under that Section or

1 federal rules adopted to implement that Section.

2 (e) The Agency is designated as the administering agency of
3 the Fund. The Agency shall submit to the Regional Administrator
4 of the United States Environmental Protection Agency an
5 intended use plan which outlines the proposed use of funds
6 available to the State. The Agency shall take all actions
7 necessary to secure to the State the benefits of the federal
8 Water Pollution Control Act and the federal Safe Drinking Water
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10 (f) The Agency shall have the power to enter into
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14 Water Revolving Fund may be used for the creation of reserve
15 funds or pledged funds that secure the obligations of repayment
16 of loans made pursuant to this Section. For the purpose of
17 obtaining capital for deposit into the Water Revolving Fund,
18 the Agency may also enter into agreements with financial
19 institutions and other persons for the purpose of selling loans
20 and developing a secondary market for such loans. The Agency
21 shall have the power to create and establish such reserve funds
22 and accounts as may be necessary or desirable to accomplish its
23 purposes under this subsection and to allocate its available
24 moneys into such funds and accounts. Investment earnings on
25 moneys held in the Water Revolving Fund, including any reserve
26 fund or pledged fund, shall be deposited into the Water

1 Revolving Fund.

2 (g) Beginning on the effective date of this amendatory Act
3 of the 101st General Assembly, and running for a period of 5
4 years after that date, the Agency shall prioritize within its
5 annual intended use plan the usage of a portion of the Agency's
6 capitalization grant for federally authorized set-aside
7 activities. The prioritization is for the purpose of supporting
8 disadvantaged communities and utilities throughout Illinois in
9 building their capacity for sustainable and equitable water
10 management. This may include, but is not limited to, assistance
11 for water rate studies, preliminary engineering or other
12 facility planning, training activities, asset management
13 plans, assistance with identification and replacement of lead
14 service lines, and studies of efficiency measures through
15 utility regionalization or other collaborative
16 intergovernmental approaches.

17 (Source: P.A. 101-143, eff. 1-1-20.)

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.