



Sen. James F. Clayborne Jr.

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1 AMENDMENT TO HOUSE BILL 622

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 622 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. Short title. This Act may be cited as the  
5 Southeastern Illinois Economic Development Authority Act.

6 Section 10. Findings. The General Assembly determines and  
7 declares the following:

8 (1) that labor surplus areas currently exist in  
9 southeastern Illinois;

10 (2) that the economic burdens resulting from involuntary  
11 unemployment fall, in part, upon the State in the form of  
12 increased need for public assistance and reduced tax revenues  
13 and, in the event that the unemployed worker and his or her  
14 family migrate elsewhere to find work, the burden may also fall  
15 upon the municipalities and other taxing districts within the  
16 areas of unemployment in the form of reduced tax revenues,  
17 thereby endangering their financial ability to support  
18 necessary governmental services for their remaining  
19 inhabitants;

20 (3) that the State has a responsibility to help create a  
21 favorable climate for new and improved job opportunities for  
22 its citizens by encouraging the development of tourism,  
23 commercial, and service businesses and industrial and  
24 manufacturing plants within the southeastern region of

1 Illinois;

2 (4) that a lack of decent housing contributes to urban  
3 blight, crime, anti-social behavior, disease, a higher need for  
4 public assistance, reduced tax revenues, and the migration of  
5 workers and their families away from areas which fail to offer  
6 adequate, decent, and affordable housing;

7 (5) that decent, affordable housing is a necessary  
8 ingredient of life affording each citizen basic human dignity,  
9 a sense of self worth, confidence, and a firm foundation upon  
10 which to build a family and educate children;

11 (6) that in order to foster civic and neighborhood pride,  
12 citizens require access to educational institutions,  
13 recreation, parks and open spaces, entertainment, sports, a  
14 reliable transportation network, cultural facilities, and  
15 theaters; and

16 (7) that the main purpose of this Act is to promote  
17 industrial, commercial, residential, service, transportation,  
18 and recreational activities and facilities, thereby reducing  
19 the evils attendant upon unemployment and enhancing the public  
20 health, safety, morals, happiness, and general welfare of the  
21 State.

22 Section 15. Definitions. In this Act:

23 "Authority" means the Southeastern Illinois Economic  
24 Development Authority.

25 "Governmental agency" means any federal, State, or local  
26 governmental body and any agency or instrumentality thereof,  
27 corporate or otherwise.

28 "Person" means any natural person, firm, partnership,  
29 corporation, both domestic and foreign, company, association  
30 or joint stock association and includes any trustee, receiver,  
31 assignee or personal representative thereof.

32 "Revenue bond" means any bond issued by the Authority, the  
33 principal and interest of which is payable solely from revenues

1 or income derived from any project or activity of the  
2 Authority.

3 "Board" means the Board of Directors of the Southeastern  
4 Illinois Economic Development Authority.

5 "Governor" means the Governor of the State of Illinois.

6 "City" means any city, village, incorporated town, or  
7 township within the geographical territory of the Authority.

8 "Industrial project" means the following:

9 (1) a capital project, including one or more buildings and  
10 other structures, improvements, machinery and equipment  
11 whether or not on the same site or sites now existing or  
12 hereafter acquired, suitable for use by any manufacturing,  
13 industrial, research, transportation or commercial enterprise  
14 including but not limited to use as a factory, mill, processing  
15 plant, assembly plant, packaging plant, fabricating plant,  
16 ethanol plant, office building, industrial distribution  
17 center, warehouse, repair, overhaul or service facility,  
18 freight terminal, research facility, test facility, power  
19 generation facility, mining operation, railroad facility,  
20 solid waste and wastewater treatment and disposal sites and  
21 other pollution control facilities, resource or waste  
22 reduction, recovery, treatment and disposal facilities,  
23 tourism-related facilities, including hotels, theaters, water  
24 parks, and amusement parks, and including also the sites  
25 thereof and other rights in land therefore whether improved or  
26 unimproved, site preparation and landscaping and all  
27 appurtenances and facilities incidental thereto such as  
28 utilities, access roads, railroad sidings, truck docking and  
29 similar facilities, parking facilities, dockage, wharfage,  
30 railroad roadbed, track, trestle, depot, terminal, switching  
31 and signaling equipment or related equipment and other  
32 improvements necessary or convenient thereto; or

33 (2) any land, buildings, machinery or equipment comprising  
34 an addition to or renovation, rehabilitation or improvement of

1 any existing capital project.

2 "Commercial project" means any project, including, but not  
3 limited to, one or more buildings and other structures,  
4 improvements, machinery, and equipment, whether or not on the  
5 same site or sites now existing or hereafter acquired, suitable  
6 for use by any retail or wholesale concern, distributorship, or  
7 agency, or health facility or retirement facility.

8 "Project" means an industrial, housing, residential,  
9 commercial, or service project, or any combination thereof,  
10 provided that all uses fall within one of the categories  
11 described above. Any project automatically includes all site  
12 improvements and new construction involving sidewalks, sewers,  
13 solid waste and wastewater treatment and disposal sites and  
14 other pollution control facilities, resource or waste  
15 reduction, recovery, treatment and disposal facilities, parks,  
16 open spaces, wildlife sanctuaries, streets, highways, and  
17 runways.

18 "Lease agreement" means an agreement in which a project  
19 acquired by the Authority by purchase, gift, or lease is leased  
20 to any person or corporation that will use, or cause the  
21 project to be used, as a project, upon terms providing for  
22 lease rental payments at least sufficient to pay, when due, all  
23 principal of and interest and premium, if any, on any bonds,  
24 notes, or other evidences of indebtedness of the Authority,  
25 issued with respect to the project, providing for the  
26 maintenance, insurance, and operation of the project on terms  
27 satisfactory to the Authority and providing for disposition of  
28 the project upon termination of the lease term, including  
29 purchase options or abandonment of the premises, with other  
30 terms as may be deemed desirable by the Authority.

31 "Loan agreement" means any agreement in which the Authority  
32 agrees to loan the proceeds of its bonds, notes, or other  
33 evidences of indebtedness, issued with respect to a project, to  
34 any person or corporation which will use or cause the project

1 to be used as a project, upon terms providing for loan  
2 repayment installments at least sufficient to pay, when due,  
3 all principal of and interest and premium, if any, on any  
4 bonds, notes, or other evidences of indebtedness of the  
5 Authority issued with respect to the project, providing for  
6 maintenance, insurance, and operation of the project on terms  
7 satisfactory to the Authority and providing for other terms  
8 deemed advisable by the Authority.

9 "Financial aid" means the expenditure of Authority funds or  
10 funds provided by the Authority for the development,  
11 construction, acquisition or improvement of a project, through  
12 the issuance of revenue bonds, notes, or other evidences of  
13 indebtedness.

14 "Costs incurred in connection with the development,  
15 construction, acquisition or improvement of a project" means  
16 the following:

17 (1) the cost of purchase and construction of all lands and  
18 improvements in connection therewith and equipment and other  
19 property, rights, easements, and franchises acquired which are  
20 deemed necessary for the construction;

21 (2) financing charges;

22 (3) interest costs with respect to bonds, notes, and other  
23 evidences of indebtedness of the Authority prior to and during  
24 construction and for a period of 6 months thereafter;

25 (4) engineering and legal expenses; and

26 (5) the costs of plans, specifications, surveys, and  
27 estimates of costs and other expenses necessary or incident to  
28 determining the feasibility or practicability of any project,  
29 together with such other expenses as may be necessary or  
30 incident to the financing, insuring, acquisition, and  
31 construction of a specific project and the placing of the same  
32 in operation.

33 Section 20. Creation.

1 (a) There is created a political subdivision, body politic,  
2 and municipal corporation named the Southeastern Illinois  
3 Economic Development Authority. The territorial jurisdiction  
4 of the Authority is that geographic area within the boundaries  
5 of the following counties: Fayette, Cumberland, Clark,  
6 Effingham, Jasper, Crawford, Marion, Clay, Richland, Lawrence,  
7 Jefferson, Wayne, Edwards, Wabash, Hamilton, and White and any  
8 navigable waters and air space located therein.

9 (b) The governing and administrative powers of the  
10 Authority shall be vested in a body consisting of 10 members as  
11 follows:

12 (1) Nine members shall be appointed by the Governor  
13 with the advice and consent of the Senate.

14 (2) One member shall be appointed by the Director of  
15 Commerce and Economic Opportunity.

16 All public members shall reside within the territorial  
17 jurisdiction of the Authority. The public members shall be  
18 persons of recognized ability and experience in one or more of  
19 the following areas: economic development, finance, banking,  
20 industrial development, state or local government, commercial  
21 agriculture, small business management, real estate  
22 development, community development, venture finance, organized  
23 labor, or civic or community organization.

24 (c) Six members shall constitute a quorum.

25 (d) The chairman of the Authority shall be elected annually  
26 by the Board.

27 (e) The terms of all initial members of the Authority shall  
28 begin 30 days after the effective date of this Act. Of the 10  
29 original members appointed pursuant to subsection (b), one  
30 shall serve until the third Monday in January, 2005; one shall  
31 serve until the third Monday in January, 2006; 2 shall serve  
32 until the third Monday in January, 2007; 2 shall serve until  
33 the third Monday in January, 2008; 2 shall serve until the  
34 third Monday in January, 2009; and 2 shall serve until the

1 third Monday in January, 2010. All successors to these original  
2 public members shall be appointed by the Governor with the  
3 advice and consent of the Senate, or by the Director of  
4 Commerce and Economic Opportunity, as the case may be, pursuant  
5 to subsection (b), and shall hold office for a term of 3 years  
6 commencing the third Monday in January of the year in which  
7 their term commences, except in the case of an appointment to  
8 fill a vacancy. Vacancies occurring among the public members  
9 shall be filled for the remainder of the term. In case of  
10 vacancy in a Governor-appointed membership when the Senate is  
11 not in session, the Governor may make a temporary appointment  
12 until the next meeting of the Senate when a person shall be  
13 nominated to fill the office and, upon confirmation by the  
14 Senate, he or she shall hold office during the remainder of the  
15 term and until a successor is appointed and qualified. Members  
16 of the Authority are not entitled to compensation for their  
17 services as members but are entitled to reimbursement for all  
18 necessary expenses incurred in connection with the performance  
19 of their duties as members. Members of the Board may  
20 participate in Board meetings by teleconference or video  
21 conference.

22 (f) The Governor may remove any public member of the  
23 Authority appointed by the Governor, and the Director of  
24 Commerce and Economic Opportunity may remove any public member  
25 appointed by the Director, in case of incompetence, neglect of  
26 duty, or malfeasance in office.

27 (g) The Board shall appoint an Executive Director who shall  
28 have a background in finance, including familiarity with the  
29 legal and procedural requirements of issuing bonds, real  
30 estate, or economic development and administration. The  
31 Executive Director shall hold office at the discretion of the  
32 Board. The Executive Director shall be the chief administrative  
33 and operational officer of the Authority, shall direct and  
34 supervise its administrative affairs and general management,

1 perform such other duties as may be prescribed from time to  
2 time by the members, and receive compensation fixed by the  
3 Authority. The Executive Director shall attend all meetings of  
4 the Authority. However, no action of the Authority shall be  
5 invalid on account of the absence of the Executive Director  
6 from a meeting. The Authority may engage the services of the  
7 Illinois Finance Authority, attorneys, appraisers, engineers,  
8 accountants, credit analysts, and other consultants, if the  
9 Southeastern Illinois Economic Development Authority deems it  
10 advisable.

11 Section 25. Duty. All official acts of the Authority shall  
12 require the approval of at least 6 members. It shall be the  
13 duty of the Authority to promote development within the  
14 territorial jurisdiction of the Authority. The Authority shall  
15 use the powers conferred upon it to assist in the development,  
16 construction, and acquisition of industrial, commercial,  
17 housing, or residential projects within those counties.

18 Section 30. Powers.

19 (a) The Authority possesses all the powers of a body  
20 corporate necessary and convenient to accomplish the purposes  
21 of this Act, including, without any intended limitation upon  
22 the general powers hereby conferred, the following powers:

23 (1) to enter into loans, contracts, agreements, and  
24 mortgages in any matter connected with any of its corporate  
25 purposes and to invest its funds;

26 (2) to sue and be sued;

27 (3) to utilize services of the Illinois Finance  
28 Authority;

29 (4) to have and use a common seal and to alter the seal  
30 at its discretion;

31 (5) to adopt all needful ordinances, resolutions,  
32 by-laws, rules, and regulations for the conduct of its



1 business and affairs and for the management and use of the  
2 projects developed, constructed, acquired, and improved in  
3 furtherance of its purposes;

4 (6) to own or finance communications projects such as  
5 telecommunications, fiber optics, and data transfer  
6 projects;

7 (7) to designate the fiscal year for the Authority;

8 (8) to accept and expend appropriations;

9 (9) to acquire, own, lease, sell, or otherwise dispose  
10 of interests in and to real property and improvements  
11 situated on that real property and in personal property  
12 necessary to fulfill the purposes of the Authority;

13 (10) to engage in any activity or operation which is  
14 incidental to and in furtherance of efficient operation to  
15 accomplish the Authority's primary purpose;

16 (11) to acquire, own, construct, lease, operate, and  
17 maintain bridges, terminals, terminal facilities, and port  
18 facilities and to fix and collect just, reasonable, and  
19 nondiscriminatory charges for the use of such facilities.  
20 These charges shall be used to defray the reasonable  
21 expenses of the Authority and to pay the principal and  
22 interest of any revenue bonds issued by the Authority;

23 (12) subject to any applicable condition imposed by  
24 this Act, to locate, establish and maintain a public  
25 airport, public airports and public airport facilities  
26 within its corporate limits or within or upon any body of  
27 water adjacent thereto and to construct, develop, expand,  
28 extend and improve any such airport or airport facility;  
29 and

30 (13) to have and exercise all powers and be subject to  
31 all duties usually incident to boards of directors of  
32 corporations.

33 (b) The Authority shall not issue any bonds relating to the  
34 financing of a project located within the planning and

1 subdivision control jurisdiction of any municipality or county  
2 unless notice, including a description of the proposed project  
3 and the financing for that project, is submitted to the  
4 corporate authorities of the municipality or, in the case of a  
5 proposed project in an unincorporated area, to the county  
6 board.

7 (c) If any of the powers set forth in this Act are  
8 exercised within the jurisdictional limits of any  
9 municipality, all ordinances of the municipality remain in full  
10 force and effect and are controlling.

11 Section 35. Bonds.

12 (a) The Authority, with the written approval of the  
13 Governor, shall have the continuing power to issue bonds,  
14 notes, or other evidences of indebtedness in an aggregate  
15 amount not to exceed \$250,000,000 for the following purposes:  
16 (i) development, construction, acquisition, or improvement of  
17 projects, including those established by business entities  
18 locating or expanding property within the territorial  
19 jurisdiction of the Authority; (ii) entering into venture  
20 capital agreements with businesses locating or expanding  
21 within the territorial jurisdiction of the Authority; (iii)  
22 acquisition and improvement of any property necessary and  
23 useful in connection therewith; and (iv) for the purposes of  
24 the Employee Ownership Assistance Act. For the purpose of  
25 evidencing the obligations of the Authority to repay any money  
26 borrowed, the Authority may, pursuant to resolution, from time  
27 to time, issue and dispose of its interest-bearing revenue  
28 bonds, notes, or other evidences of indebtedness and may also  
29 from time to time issue and dispose of such bonds, notes, or  
30 other evidences of indebtedness to refund, at maturity, at a  
31 redemption date or in advance of either, any bonds, notes, or  
32 other evidences of indebtedness pursuant to redemption  
33 provisions or at any time before maturity. All such bonds,

1 notes, or other evidences of indebtedness shall be payable  
2 solely and only from the revenues or income to be derived from  
3 loans made with respect to projects, from the leasing or sale  
4 of the projects, or from any other funds available to the  
5 Authority for such purposes. The bonds, notes, or other  
6 evidences of indebtedness may bear such date or dates, may  
7 mature at such time or times not exceeding 40 years from their  
8 respective dates, may bear interest at such rate or rates not  
9 exceeding the maximum rate permitted by the Bond Authorization  
10 Act, may be in such form, may carry such registration  
11 privileges, may be executed in such manner, may be payable at  
12 such place or places, may be made subject to redemption in such  
13 manner and upon such terms, with or without premium, as is  
14 stated on the face thereof, may be authenticated in such manner  
15 and may contain such terms and covenants as may be provided by  
16 an applicable resolution.

17 (b) The holder or holders of any bonds, notes, or other  
18 evidences of indebtedness issued by the Authority may bring  
19 suits at law or proceedings in equity to compel the performance  
20 and observance by any corporation or person or by the Authority  
21 or any of its agents or employees of any contract or covenant  
22 made with the holders of the bonds, notes, or other evidences  
23 of indebtedness, to compel such corporation, person, the  
24 Authority, and any of its agents or employees to perform any  
25 duties required to be performed for the benefit of the holders  
26 of the bonds, notes, or other evidences of indebtedness by the  
27 provision of the resolution authorizing their issuance and to  
28 enjoin the corporation, person, the Authority, and any of its  
29 agents or employees from taking any action in conflict with any  
30 contract or covenant.

31 (c) If the Authority fails to pay the principal of or  
32 interest on any of the bonds or premium, if any, as the bond  
33 becomes due, a civil action to compel payment may be instituted  
34 in the appropriate circuit court by the holder or holders of

1 the bonds on which the default of payment exists or by an  
2 indenture trustee acting on behalf of the holders. Delivery of  
3 a summons and a copy of the complaint to the chairman of the  
4 Board shall constitute sufficient service to give the circuit  
5 court jurisdiction over the subject matter of the suit and  
6 jurisdiction over the Authority and its officers named as  
7 defendants for the purpose of compelling such payment. Any  
8 case, controversy, or cause of action concerning the validity  
9 of this Act relates to the revenue of the State of Illinois.

10 (d) Notwithstanding the form and tenor of any bond, note,  
11 or other evidence of indebtedness and in the absence of any  
12 express recital on its face that it is non-negotiable, all such  
13 bonds, notes, and other evidences of indebtedness shall be  
14 negotiable instruments. Pending the preparation and execution  
15 of any bonds, notes, or other evidences of indebtedness,  
16 temporary bonds, notes, or evidences of indebtedness may be  
17 issued as provided by ordinance.

18 (e) To secure the payment of any or all of such bonds,  
19 notes, or other evidences of indebtedness, the revenues to be  
20 received by the Authority from a lease agreement or loan  
21 agreement shall be pledged, and, for the purpose of setting  
22 forth the covenants and undertakings of the Authority in  
23 connection with the issuance of the bonds, notes, or other  
24 evidences of indebtedness and the issuance of any additional  
25 bonds, notes or other evidences of indebtedness payable from  
26 such revenues, income, or other funds to be derived from  
27 projects, the Authority may execute and deliver a mortgage or  
28 trust agreement. A remedy for any breach or default of the  
29 terms of any mortgage or trust agreement by the Authority may  
30 be by mandamus proceeding in the appropriate circuit court to  
31 compel performance and compliance under the terms of the  
32 mortgage or trust agreement, but the trust agreement may  
33 prescribe by whom or on whose behalf the action may be  
34 instituted.

1 (f) Bonds or notes shall be secured as provided in the  
2 authorizing ordinance which may include, notwithstanding any  
3 other provision of this Act, in addition to any other security,  
4 a specific pledge, assignment of and lien on, or security  
5 interest in any or all revenues or money of the Authority, from  
6 whatever source, which may, by law, be used for debt service  
7 purposes and a specific pledge, or assignment of and lien on,  
8 or security interest in any funds or accounts established or  
9 provided for by ordinance of the Authority authorizing the  
10 issuance of the bonds or notes.

11 (g) In the event that the Authority determines that moneys  
12 of the Authority will not be sufficient for the payment of the  
13 principal of and interest on its bonds during the next State  
14 fiscal year, the chairman, as soon as practicable, shall  
15 certify to the Governor the amount required by the Authority to  
16 enable it to pay the principal of and interest on the bonds.  
17 The Governor shall submit the certified amount to the General  
18 Assembly as soon as practicable, but no later than the end of  
19 the current State fiscal year. This Section shall not apply to  
20 any bonds or notes to which the Authority determines, in the  
21 resolution authorizing the issuance of the bonds or notes, that  
22 this Section shall not apply. Whenever the Authority makes this  
23 determination, it shall be plainly stated on the face of the  
24 bonds or notes and the determination shall also be reported to  
25 the Governor. In the event of a withdrawal of moneys from a  
26 reserve fund established with respect to any issue or issues of  
27 bonds of the Authority to pay principal or interest on those  
28 bonds, the chairman of the Authority, as soon as practicable,  
29 shall certify to the Governor the amount required to restore  
30 the reserve fund to the level required in the resolution or  
31 indenture securing those bonds. The Governor shall submit the  
32 certified amount to the General Assembly as soon as  
33 practicable, but no later than the end of the current State  
34 fiscal year.

1           (h) The State of Illinois pledges to and agrees with the  
2 holders of the bonds and notes of the Authority issued pursuant  
3 to this Section that the State will not limit or alter the  
4 rights and powers vested in the Authority by this Act so as to  
5 impair the terms of any contract made by the Authority with the  
6 holders of bonds or notes or in any way impair the rights and  
7 remedies of those holders until the bonds and notes, together  
8 with interest thereon, with interest on any unpaid installments  
9 of interest, and all costs and expenses in connection with any  
10 action or proceedings by or on behalf of the holders, are fully  
11 met and discharged. In addition, the State pledges to and  
12 agrees with the holders of the bonds and notes of the Authority  
13 issued pursuant to this Section that the State will not limit  
14 or alter the basis on which State funds are to be paid to the  
15 Authority as provided in this Act, or the use of such funds, so  
16 as to impair the terms of any such contract. The Authority is  
17 authorized to include these pledges and agreements of the State  
18 in any contract with the holders of bonds or notes issued  
19 pursuant to this Section.

20           Section 40. Bonds and notes; exemption from taxation. The  
21 creation of the Authority is in all respects for the benefit of  
22 the people of Illinois and for the improvement of their health,  
23 safety, welfare, comfort, and security, and its purposes are  
24 public purposes. In consideration thereof, the notes and bonds  
25 of the Authority issued pursuant to this Act and the income  
26 from these notes and bonds may be free from all taxation by the  
27 State or its political subdivisions, exempt for estate,  
28 transfer, and inheritance taxes. The exemption from taxation  
29 provided by the preceding sentence shall apply to the income on  
30 any notes or bonds of the Authority only if the Authority in  
31 its sole judgment determines that the exemption enhances the  
32 marketability of the bonds or notes or reduces the interest  
33 rates that would otherwise be borne by the bonds or notes. For

1 purposes of Section 250 of the Illinois Income Tax Act, the  
2 exemption of the Authority shall terminate after all of the  
3 bonds have been paid. The amount of such income that shall be  
4 added and then subtracted on the Illinois income tax return of  
5 a taxpayer, subject to Section 203 of the Illinois Income Tax  
6 Act, from federal adjusted gross income or federal taxable  
7 income in computing Illinois base income shall be the interest  
8 net of any bond premium amortization.

9 Section 45. Acquisition.

10 (a) The Authority may, but need not, acquire title to any  
11 project with respect to which it exercises its authority.

12 (b) The Authority shall have power to acquire by purchase,  
13 lease, gift, or otherwise any property or rights therein from  
14 any person or persons, the State of Illinois, any municipal  
15 corporation, any local unit of government, the government of  
16 the United States and any agency or instrumentality of the  
17 United States, any body politic, or any county useful for its  
18 purposes, whether improved for the purposes of any prospective  
19 project or unimproved. The Authority may also accept any  
20 donation of funds for its purposes from any of these sources.

21 (c) The Authority shall have power to develop, construct,  
22 and improve, either under its own direction or through  
23 collaboration with any approved applicant, or to acquire,  
24 through purchase or otherwise, any project, using for this  
25 purpose the proceeds derived from its sale of revenue bonds,  
26 notes, or other evidences of indebtedness or governmental loans  
27 or grants and shall have the power to hold title to those  
28 projects in the name of the Authority.

29 (d) The Authority shall have the power to enter into  
30 intergovernmental agreements with the State of Illinois, the  
31 counties of Fayette, Cumberland, Clark, Effingham, Jasper,  
32 Crawford, Marion, Clay, Richland, Lawrence, Jefferson, Wayne,  
33 Edwards, Wabash, Hamilton, and White, the Illinois Development

1 Finance Authority, the Illinois Housing Development Authority,  
2 the Illinois Education Facilities Authority, the Illinois Farm  
3 Development Authority, the Rural Bond Bank, the United States  
4 government and any agency or instrumentality of the United  
5 States, any unit of local government located within the  
6 territory of the Authority, or any other unit of government to  
7 the extent allowed by Article VII, Section 10 of the Illinois  
8 Constitution and the Intergovernmental Cooperation Act.

9 (e) The Authority shall have the power to share employees  
10 with other units of government, including agencies of the  
11 United States, agencies of the State of Illinois, and agencies  
12 or personnel of any unit of local government.

13 (f) The Authority shall have the power to exercise powers  
14 and issue bonds as if it were a municipality so authorized in  
15 Divisions 12.1, 74, 74.1, 74.3, and 74.5 of Article 11 of the  
16 Illinois Municipal Code.

17 Section 50. Enterprise zones. The Authority may by  
18 ordinance designate a portion of the territorial jurisdiction  
19 of the Authority for certification as an Enterprise Zone under  
20 the Illinois Enterprise Zone Act in addition to any other  
21 enterprise zones which may be created under that Act, which  
22 area shall have all the privileges and rights of an Enterprise  
23 Zone pursuant to the Illinois Enterprise Zone Act, but which  
24 shall not be counted in determining the number of Enterprise  
25 Zones to be created in any year pursuant to that Act.

26 Section 55. Designation of depository. The Authority shall  
27 biennially designate a national or State bank or banks as  
28 depositories of its money. Such depositories shall be  
29 designated only within the State and upon condition that bonds  
30 approved as to form and surety by the Authority and at least  
31 equal in amount to the maximum sum expected to be on deposit at  
32 any one time shall be first given by such depositories to the



1 Authority, such bonds to be conditioned for the safekeeping and  
2 prompt repayment of such deposits. When any of the funds of the  
3 Authority shall be deposited by the treasurer in any such  
4 depository, the treasurer and the sureties on his official bond  
5 shall, to such extent, be exempt from liability for the loss of  
6 any such deposited funds by reason of the failure, bankruptcy,  
7 or any other act or default of such depository; provided that  
8 the Authority may accept assignments of collateral by any  
9 depository of its funds to secure such deposits to the same  
10 extent and conditioned in the same manner as assignments of  
11 collateral are permitted by law to secure deposits of the funds  
12 of any city.

13 Section 60. Taxation prohibited. The Authority shall have  
14 no right or authority to levy any tax or special assessment, to  
15 pledge the credit of the State or any other subdivision or  
16 municipal corporation thereof, or to incur any obligation  
17 enforceable upon any property, either within or without the  
18 territory of the Authority.

19 Section 65. Fees. The Authority may collect fees and  
20 charges in connection with its loans, commitments, and  
21 servicing and may provide technical assistance in the  
22 development of the region.

23 Section 70. Reports and audit.

24 (a) The Authority shall annually submit a report of its  
25 finances to the Auditor General. The Authority shall annually  
26 submit a report of its activities to the Governor and to the  
27 General Assembly.

28 (b) Beginning 5 years after the effective date of this Act  
29 and every 5 years thereafter, the Auditor General shall conduct  
30 a financial audit of the Authority.

1 Section 99. The Illinois State Auditing Act is amended by  
2 changing Section 3-1 as follows:

3 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

4 Sec. 3-1. Jurisdiction of Auditor General. The Auditor  
5 General has jurisdiction over all State agencies to make post  
6 audits and investigations authorized by or under this Act or  
7 the Constitution.

8 The Auditor General has jurisdiction over local government  
9 agencies and private agencies only:

10 (a) to make such post audits authorized by or under  
11 this Act as are necessary and incidental to a post audit of  
12 a State agency or of a program administered by a State  
13 agency involving public funds of the State, but this  
14 jurisdiction does not include any authority to review local  
15 governmental agencies in the obligation, receipt,  
16 expenditure or use of public funds of the State that are  
17 granted without limitation or condition imposed by law,  
18 other than the general limitation that such funds be used  
19 for public purposes;

20 (b) to make investigations authorized by or under this  
21 Act or the Constitution; and

22 (c) to make audits of the records of local government  
23 agencies to verify actual costs of state-mandated programs  
24 when directed to do so by the Legislative Audit Commission  
25 at the request of the State Board of Appeals under the  
26 State Mandates Act.

27 In addition to the foregoing, the Auditor General may  
28 conduct an audit of the Metropolitan Pier and Exposition  
29 Authority, the Regional Transportation Authority, the Suburban  
30 Bus Division, the Commuter Rail Division and the Chicago  
31 Transit Authority and any other subsidized carrier when  
32 authorized by the Legislative Audit Commission. Such audit may  
33 be a financial, management or program audit, or any combination

1       thereof.

2             The audit shall determine whether they are operating in  
3       accordance with all applicable laws and regulations. Subject to  
4       the limitations of this Act, the Legislative Audit Commission  
5       may by resolution specify additional determinations to be  
6       included in the scope of the audit.

7             In addition to the foregoing, the Auditor General must also  
8       conduct a financial audit of the Illinois Sports Facilities  
9       Authority's expenditures of public funds in connection with the  
10      reconstruction, renovation, remodeling, extension, or  
11      improvement of all or substantially all of any existing  
12      "facility", as that term is defined in the Illinois Sports  
13      Facilities Authority Act.

14            The Auditor General may also conduct an audit, when  
15      authorized by the Legislative Audit Commission, of any hospital  
16      which receives 10% or more of its gross revenues from payments  
17      from the State of Illinois, Department of Public Aid, Medical  
18      Assistance Program.

19            The Auditor General is authorized to conduct financial and  
20      compliance audits of the Illinois Distance Learning Foundation  
21      and the Illinois Conservation Foundation.

22            As soon as practical after the effective date of this  
23      amendatory Act of 1995, the Auditor General shall conduct a  
24      compliance and management audit of the City of Chicago and any  
25      other entity with regard to the operation of Chicago O'Hare  
26      International Airport, Chicago Midway Airport and Merrill C.  
27      Meigs Field. The audit shall include, but not be limited to, an  
28      examination of revenues, expenses, and transfers of funds;  
29      purchasing and contracting policies and practices; staffing  
30      levels; and hiring practices and procedures. When completed,  
31      the audit required by this paragraph shall be distributed in  
32      accordance with Section 3-14.

33            The Auditor General shall conduct a financial and  
34      compliance and program audit of distributions from the

1 Municipal Economic Development Fund during the immediately  
2 preceding calendar year pursuant to Section 8-403.1 of the  
3 Public Utilities Act at no cost to the city, village, or  
4 incorporated town that received the distributions.

5 The Auditor General must conduct an audit of the Health  
6 Facilities Planning Board pursuant to Section 19.5 of the  
7 Illinois Health Facilities Planning Act.

8 The Auditor General of the State of Illinois shall annually  
9 conduct or cause to be conducted a financial and compliance  
10 audit of the books and records of any county water commission  
11 organized pursuant to the Water Commission Act of 1985 and  
12 shall file a copy of the report of that audit with the Governor  
13 and the Legislative Audit Commission. The filed audit shall be  
14 open to the public for inspection. The cost of the audit shall  
15 be charged to the county water commission in accordance with  
16 Section 6z-27 of the State Finance Act. The county water  
17 commission shall make available to the Auditor General its  
18 books and records and any other documentation, whether in the  
19 possession of its trustees or other parties, necessary to  
20 conduct the audit required. These audit requirements apply only  
21 through July 1, 2007.

22 The Auditor General must conduct audits of the Rend Lake  
23 Conservancy District as provided in Section 25.5 of the River  
24 Conservancy Districts Act.

25 The Auditor General must conduct financial audits of the  
26 Southeastern Illinois Economic Development Authority as  
27 provided in Section 70 of the Southeastern Illinois Economic  
28 Development Authority Act.

29 (Source: P.A. 93-226, eff. 7-22-03; 93-259, eff. 7-22-03;  
30 93-275, eff. 7-22-03; revised 8-25-03.)

31 Section 999. Effective date. This Act takes effect upon  
32 becoming law."