

# HB2405



## 94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB2405

Introduced 2/17/2005, by Rep. Dan Reitz

### SYNOPSIS AS INTRODUCED:

240 ILCS 40/20-20

Amends the Grain Code. Notwithstanding anything to the contrary, permits a trustee to use moneys in the trust account or any subaccount to preserve the assets of a failed licensee.

LRB094 09564 JAM 39815 b

A BILL FOR

1 AN ACT concerning warehouses.

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

4 Section 5. The Grain Code is amended by changing Section  
5 20-20 as follows:

6 (240 ILCS 40/20-20)

7 Sec. 20-20. Liquidation expenses.

8 (a) The Trustee shall pay from the Trust Account all  
9 reasonable expenses incurred by the trustee on or after the  
10 date of failure in reference to seizing, preserving, and  
11 liquidating the grain assets, equity assets, collateral, and  
12 guarantees of or relating to a failed licensee, including, but  
13 not limited to, the hiring of temporary field personnel,  
14 equipment rental, auction expenses, mandatory commodity  
15 check-offs, and clerical expenses. Notwithstanding anything to  
16 the contrary, the Trustee may use money in the Trust Account,  
17 and any subaccount, to pay for the preservation of any asset of  
18 any failed licensee.

19 (b) Except as to claimants holding valid claims, any  
20 outstanding indebtedness of a failed licensee that has accrued  
21 before the date of failure shall not be paid by the Trustee and  
22 shall represent a separate cause of action of the creditor  
23 against the failed licensee.

24 (c) The Trustee shall report all expenditures paid from the  
25 Trust Account to the Corporation at least annually.

26 (d) To the extent assets are available under subsection (g)  
27 of Section 25-20 and upon presentation of documentation  
28 satisfactory to the Trustee, the Trustee shall transfer from  
29 the Trust Account to the Regulatory Fund an amount not to  
30 exceed the expenses incurred by the Department in performance  
31 of its duties under Article 20 of this Code, in reference to  
32 the failed licensee.

1 (Source: P.A. 93-225, eff. 7-21-03.)