



Executive Committee

Filed: 5/30/2007

09500SB1327ham001

LRB095 10742 RCE 37228 a

1 AMENDMENT TO SENATE BILL 1327

2 AMENDMENT NO. _____. Amend Senate Bill 1327 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Finance Authority Act is amended
5 by changing Sections 801-10, 830-50, and 845-5 and by adding
6 Section 825-12 as follows:

7 (20 ILCS 3501/801-10)

8 Sec. 801-10. Definitions. The following terms, whenever
9 used or referred to in this Act, shall have the following
10 meanings, except in such instances where the context may
11 clearly indicate otherwise:

12 (a) The term "Authority" means the Illinois Finance
13 Authority created by this Act.

14 (b) The term "project" means an industrial project,
15 conservation project, housing project, public purpose project,
16 higher education project, health facility project, cultural

1 institution project, agricultural facility or agribusiness,
2 and "project" may include any combination of one or more of the
3 foregoing undertaken jointly by any person with one or more
4 other persons.

5 (c) The term "public purpose project" means any project or
6 facility including without limitation land, buildings,
7 structures, machinery, equipment and all other real and
8 personal property, which is authorized or required by law to be
9 acquired, constructed, improved, rehabilitated, reconstructed,
10 replaced or maintained by any unit of government or any other
11 lawful public purpose which is authorized or required by law to
12 be undertaken by any unit of government.

13 (d) The term "industrial project" means the acquisition,
14 construction, refurbishment, creation, development or
15 redevelopment of any facility, equipment, machinery, real
16 property or personal property for use by any instrumentality of
17 the State or its political subdivisions, for use by any person
18 or institution, public or private, for profit or not for
19 profit, or for use in any trade or business including, but not
20 limited to, any industrial, manufacturing or commercial
21 enterprise and which is (1) a capital project including but not
22 limited to: (i) land and any rights therein, one or more
23 buildings, structures or other improvements, machinery and
24 equipment, whether now existing or hereafter acquired, and
25 whether or not located on the same site or sites; (ii) all
26 appurtenances and facilities incidental to the foregoing,

1 including, but not limited to utilities, access roads, railroad
2 sidings, track, docking and similar facilities, parking
3 facilities, dockage, wharfage, railroad roadbed, track,
4 trestle, depot, terminal, switching and signaling or related
5 equipment, site preparation and landscaping; and (iii) all
6 non-capital costs and expenses relating thereto or (2) any
7 addition to, renovation, rehabilitation or improvement of a
8 capital project or (3) any activity or undertaking which the
9 Authority determines will aid, assist or encourage economic
10 growth, development or redevelopment within the State or any
11 area thereof, will promote the expansion, retention or
12 diversification of employment opportunities within the State
13 or any area thereof or will aid in stabilizing or developing
14 any industry or economic sector of the State economy. The term
15 "industrial project" also means the production of motion
16 pictures.

17 (e) The term "bond" or "bonds" shall include bonds, notes
18 (including bond, grant or revenue anticipation notes),
19 certificates and/or other evidences of indebtedness
20 representing an obligation to pay money, including refunding
21 bonds.

22 (f) The terms "lease agreement" and "loan agreement" shall
23 mean: (i) an agreement whereby a project acquired by the
24 Authority by purchase, gift or lease is leased to any person,
25 corporation or unit of local government which will use or cause
26 the project to be used as a project as heretofore defined upon

1 terms providing for lease rental payments at least sufficient
2 to pay when due all principal of, interest and premium, if any,
3 on any bonds of the Authority issued with respect to such
4 project, providing for the maintenance, insuring and operation
5 of the project on terms satisfactory to the Authority,
6 providing for disposition of the project upon termination of
7 the lease term, including purchase options or abandonment of
8 the premises, and such other terms as may be deemed desirable
9 by the Authority, or (ii) any agreement pursuant to which the
10 Authority agrees to loan the proceeds of its bonds issued with
11 respect to a project or other funds of the Authority to any
12 person which will use or cause the project to be used as a
13 project as heretofore defined upon terms providing for loan
14 repayment installments at least sufficient to pay when due all
15 principal of, interest and premium, if any, on any bonds of the
16 Authority, if any, issued with respect to the project, and
17 providing for maintenance, insurance and other matters as may
18 be deemed desirable by the Authority.

19 (g) The term "financial aid" means the expenditure of
20 Authority funds or funds provided by the Authority through the
21 issuance of its bonds, notes or other evidences of indebtedness
22 or from other sources for the development, construction,
23 acquisition or improvement of a project.

24 (h) The term "person" means an individual, corporation,
25 unit of government, business trust, estate, trust, partnership
26 or association, 2 or more persons having a joint or common

1 interest, or any other legal entity.

2 (i) The term "unit of government" means the federal
3 government, the State or unit of local government, a school
4 district, or any agency or instrumentality, office, officer,
5 department, division, bureau, commission, college or
6 university thereof.

7 (j) The term "health facility" means: (a) any public or
8 private institution, place, building, or agency required to be
9 licensed under the Hospital Licensing Act; (b) any public or
10 private institution, place, building, or agency required to be
11 licensed under the Nursing Home Care Act; (c) any public or
12 licensed private hospital as defined in the Mental Health and
13 Developmental Disabilities Code; (d) any such facility
14 exempted from such licensure when the Director of Public Health
15 attests that such exempted facility meets the statutory
16 definition of a facility subject to licensure; (e) any other
17 public or private health service institution, place, building,
18 or agency which the Director of Public Health attests is
19 subject to certification by the Secretary, U.S. Department of
20 Health and Human Services under the Social Security Act, as now
21 or hereafter amended, or which the Director of Public Health
22 attests is subject to standard-setting by a recognized public
23 or voluntary accrediting or standard-setting agency; (f) any
24 public or private institution, place, building or agency
25 engaged in providing one or more supporting services to a
26 health facility; (g) any public or private institution, place,

1 building or agency engaged in providing training in the healing
2 arts, including but not limited to schools of medicine,
3 dentistry, osteopathy, optometry, podiatry, pharmacy or
4 nursing, schools for the training of x-ray, laboratory or other
5 health care technicians and schools for the training of
6 para-professionals in the health care field; (h) any public or
7 private congregate, life or extended care or elderly housing
8 facility or any public or private home for the aged or infirm,
9 including, without limitation, any Facility as defined in the
10 Life Care Facilities Act; (i) any public or private mental,
11 emotional or physical rehabilitation facility or any public or
12 private educational, counseling, or rehabilitation facility or
13 home, for those persons with a developmental disability, those
14 who are physically ill or disabled, the emotionally disturbed,
15 those persons with a mental illness or persons with learning or
16 similar disabilities or problems; (j) any public or private
17 alcohol, drug or substance abuse diagnosis, counseling
18 treatment or rehabilitation facility, (k) any public or private
19 institution, place, building or agency licensed by the
20 Department of Children and Family Services or which is not so
21 licensed but which the Director of Children and Family Services
22 attests provides child care, child welfare or other services of
23 the type provided by facilities subject to such licensure; (l)
24 any public or private adoption agency or facility; and (m) any
25 public or private blood bank or blood center. "Health facility"
26 also means a public or private structure or structures suitable

1 primarily for use as a laboratory, laundry, nurses or interns
2 residence or other housing or hotel facility used in whole or
3 in part for staff, employees or students and their families,
4 patients or relatives of patients admitted for treatment or
5 care in a health facility, or persons conducting business with
6 a health facility, physician's facility, surgicenter,
7 administration building, research facility, maintenance,
8 storage or utility facility and all structures or facilities
9 related to any of the foregoing or required or useful for the
10 operation of a health facility, including parking or other
11 facilities or other supporting service structures required or
12 useful for the orderly conduct of such health facility.

13 (k) The term "participating health institution" means a
14 private corporation or association or public entity of this
15 State, authorized by the laws of this State to provide or
16 operate a health facility as defined in this Act and which,
17 pursuant to the provisions of this Act, undertakes the
18 financing, construction or acquisition of a project or
19 undertakes the refunding or refinancing of obligations, loans,
20 indebtedness or advances as provided in this Act.

21 (l) The term "health facility project", means a specific
22 health facility work or improvement to be financed or
23 refinanced (including without limitation through reimbursement
24 of prior expenditures), acquired, constructed, enlarged,
25 remodeled, renovated, improved, furnished, or equipped, with
26 funds provided in whole or in part hereunder, any accounts

1 receivable, working capital, liability or insurance cost or
2 operating expense financing or refinancing program of a health
3 facility with or involving funds provided in whole or in part
4 hereunder, or any combination thereof.

5 (m) The term "bond resolution" means the resolution or
6 resolutions authorizing the issuance of, or providing terms and
7 conditions related to, bonds issued under this Act and
8 includes, where appropriate, any trust agreement, trust
9 indenture, indenture of mortgage or deed of trust providing
10 terms and conditions for such bonds.

11 (n) The term "property" means any real, personal or mixed
12 property, whether tangible or intangible, or any interest
13 therein, including, without limitation, any real estate,
14 leasehold interests, appurtenances, buildings, easements,
15 equipment, furnishings, furniture, improvements, machinery,
16 rights of way, structures, accounts, contract rights or any
17 interest therein.

18 (o) The term "revenues" means, with respect to any project,
19 the rents, fees, charges, interest, principal repayments,
20 collections and other income or profit derived therefrom.

21 (p) The term "higher education project" means, in the case
22 of a private institution of higher education, an educational
23 facility to be acquired, constructed, enlarged, remodeled,
24 renovated, improved, furnished, or equipped, or any
25 combination thereof.

26 (q) The term "cultural institution project" means, in the

1 case of a cultural institution, a cultural facility to be
2 acquired, constructed, enlarged, remodeled, renovated,
3 improved, furnished, or equipped, or any combination thereof.

4 (r) The term "educational facility" means any property
5 located within the State constructed or acquired before or
6 after the effective date of this Act, which is or will be, in
7 whole or in part, suitable for the instruction, feeding,
8 recreation or housing of students, the conducting of research
9 or other work of a private institution of higher education, the
10 use by a private institution of higher education in connection
11 with any educational, research or related or incidental
12 activities then being or to be conducted by it, or any
13 combination of the foregoing, including, without limitation,
14 any such property suitable for use as or in connection with any
15 one or more of the following: an academic facility,
16 administrative facility, agricultural facility, assembly hall,
17 athletic facility, auditorium, boating facility, campus,
18 communication facility, computer facility, continuing
19 education facility, classroom, dining hall, dormitory,
20 exhibition hall, fire fighting facility, fire prevention
21 facility, food service and preparation facility, gymnasium,
22 greenhouse, health care facility, hospital, housing,
23 instructional facility, laboratory, library, maintenance
24 facility, medical facility, museum, offices, parking area,
25 physical education facility, recreational facility, research
26 facility, stadium, storage facility, student union, study

1 facility, theatre or utility.

2 (s) The term "cultural facility" means any property located
3 within the State constructed or acquired before or after the
4 effective date of this Act, which is or will be, in whole or in
5 part, suitable for the particular purposes or needs of a
6 cultural institution, including, without limitation, any such
7 property suitable for use as or in connection with any one or
8 more of the following: an administrative facility, aquarium,
9 assembly hall, auditorium, botanical garden, exhibition hall,
10 gallery, greenhouse, library, museum, scientific laboratory,
11 theater or zoological facility, and shall also include, without
12 limitation, books, works of art or music, animal, plant or
13 aquatic life or other items for display, exhibition or
14 performance. The term "cultural facility" includes buildings
15 on the National Register of Historic Places which are owned or
16 operated by nonprofit entities.

17 (t) "Private institution of higher education" means a
18 not-for-profit educational institution which is not owned by
19 the State or any political subdivision, agency,
20 instrumentality, district or municipality thereof, which is
21 authorized by law to provide a program of education beyond the
22 high school level and which:

23 (1) Admits as regular students only individuals having
24 a certificate of graduation from a high school, or the
25 recognized equivalent of such a certificate;

26 (2) Provides an educational program for which it awards

1 a bachelor's degree, or provides an educational program,
2 admission into which is conditioned upon the prior
3 attainment of a bachelor's degree or its equivalent, for
4 which it awards a postgraduate degree, or provides not less
5 than a 2-year program which is acceptable for full credit
6 toward such a degree, or offers a 2-year program in
7 engineering, mathematics, or the physical or biological
8 sciences which is designed to prepare the student to work
9 as a technician and at a semiprofessional level in
10 engineering, scientific, or other technological fields
11 which require the understanding and application of basic
12 engineering, scientific, or mathematical principles or
13 knowledge;

14 (3) Is accredited by a nationally recognized
15 accrediting agency or association or, if not so accredited,
16 is an institution whose credits are accepted, on transfer,
17 by not less than 3 institutions which are so accredited,
18 for credit on the same basis as if transferred from an
19 institution so accredited, and holds an unrevoked
20 certificate of approval under the Private College Act from
21 the Board of Higher Education, or is qualified as a "degree
22 granting institution" under the Academic Degree Act; and

23 (4) Does not discriminate in the admission of students
24 on the basis of race or color. "Private institution of
25 higher education" also includes any "academic
26 institution".

1 (u) The term "academic institution" means any
2 not-for-profit institution which is not owned by the State or
3 any political subdivision, agency, instrumentality, district
4 or municipality thereof, which institution engages in, or
5 facilitates academic, scientific, educational or professional
6 research or learning in a field or fields of study taught at a
7 private institution of higher education. Academic institutions
8 include, without limitation, libraries, archives, academic,
9 scientific, educational or professional societies,
10 institutions, associations or foundations having such
11 purposes.

12 (v) The term "cultural institution" means any
13 not-for-profit institution which is not owned by the State or
14 any political subdivision, agency, instrumentality, district
15 or municipality thereof, which institution engages in the
16 cultural, intellectual, scientific, educational or artistic
17 enrichment of the people of the State. Cultural institutions
18 include, without limitation, aquaria, botanical societies,
19 historical societies, libraries, museums, performing arts
20 associations or societies, scientific societies and zoological
21 societies.

22 (w) The term "affiliate" means, with respect to financing
23 of an agricultural facility or an agribusiness, any lender, any
24 person, firm or corporation controlled by, or under common
25 control with, such lender, and any person, firm or corporation
26 controlling such lender.

1 (x) The term "agricultural facility" means land, any
2 building or other improvement thereon or thereto, and any
3 personal properties deemed necessary or suitable for use,
4 whether or not now in existence, in farming, ranching, the
5 production of agricultural commodities (including, without
6 limitation, the products of aquaculture, hydroponics and
7 silviculture) or the treating, processing or storing of such
8 agricultural commodities when such activities are customarily
9 engaged in by farmers as a part of farming.

10 (y) The term "lender" with respect to financing of an
11 agricultural facility or an agribusiness, means any federal or
12 State chartered bank, Federal Land Bank, Production Credit
13 Association, Bank for Cooperatives, federal or State chartered
14 savings and loan association or building and loan association,
15 Small Business Investment Company or any other institution
16 qualified within this State to originate and service loans,
17 including, but without limitation to, insurance companies,
18 credit unions and mortgage loan companies. "Lender" also means
19 a wholly owned subsidiary of a manufacturer, seller or
20 distributor of goods or services that makes loans to businesses
21 or individuals, commonly known as a "captive finance company".

22 (z) The term "agribusiness" means any sole proprietorship,
23 limited partnership, co-partnership, joint venture,
24 corporation or cooperative which operates or will operate a
25 facility located within the State of Illinois that is related
26 to the processing of agricultural commodities (including,

1 without limitation, the products of aquaculture, hydroponics
2 and silviculture) or the manufacturing, production or
3 construction of agricultural buildings, structures, equipment,
4 implements, and supplies, or any other facilities or processes
5 used in agricultural production. Agribusiness includes but is
6 not limited to the following:

7 (1) grain handling and processing, including grain
8 storage, drying, treatment, conditioning, mailing and
9 packaging;

10 (2) seed and feed grain development and processing;

11 (3) fruit and vegetable processing, including
12 preparation, canning and packaging;

13 (4) processing of livestock and livestock products,
14 dairy products, poultry and poultry products, fish or
15 apiarian products, including slaughter, shearing,
16 collecting, preparation, canning and packaging;

17 (5) fertilizer and agricultural chemical
18 manufacturing, processing, application and supplying;

19 (6) farm machinery, equipment and implement
20 manufacturing and supplying;

21 (7) manufacturing and supplying of agricultural
22 commodity processing machinery and equipment, including
23 machinery and equipment used in slaughter, treatment,
24 handling, collecting, preparation, canning or packaging of
25 agricultural commodities;

26 (8) farm building and farm structure manufacturing,

1 construction and supplying;

2 (9) construction, manufacturing, implementation,
3 supplying or servicing of irrigation, drainage and soil and
4 water conservation devices or equipment;

5 (10) fuel processing and development facilities that
6 produce fuel from agricultural commodities or byproducts;

7 (11) facilities and equipment for processing and
8 packaging agricultural commodities specifically for
9 export;

10 (12) facilities and equipment for forestry product
11 processing and supplying, including sawmilling operations,
12 wood chip operations, timber harvesting operations, and
13 manufacturing of prefabricated buildings, paper, furniture
14 or other goods from forestry products;

15 (13) facilities and equipment for research and
16 development of products, processes and equipment for the
17 production, processing, preparation or packaging of
18 agricultural commodities and byproducts.

19 (aa) The term "asset" with respect to financing of any
20 agricultural facility or any agribusiness, means, but is not
21 limited to the following: cash crops or feed on hand; livestock
22 held for sale; breeding stock; marketable bonds and securities;
23 securities not readily marketable; accounts receivable; notes
24 receivable; cash invested in growing crops; net cash value of
25 life insurance; machinery and equipment; cars and trucks; farm
26 and other real estate including life estates and personal

1 residence; value of beneficial interests in trusts; government
2 payments or grants; and any other assets.

3 (bb) The term "liability" with respect to financing of any
4 agricultural facility or any agribusiness shall include, but
5 not be limited to the following: accounts payable; notes or
6 other indebtedness owed to any source; taxes; rent; amounts
7 owed on real estate contracts or real estate mortgages;
8 judgments; accrued interest payable; and any other liability.

9 (cc) The term "Predecessor Authorities" means those
10 authorities as described in Section 845-75.

11 (dd) The term "housing project" means a specific work or
12 improvement undertaken to provide residential dwelling
13 accommodations, including the acquisition, construction or
14 rehabilitation of lands, buildings and community facilities
15 and in connection therewith to provide nonhousing facilities
16 which are part of the housing project, including land,
17 buildings, improvements, equipment and all ancillary
18 facilities for use for offices, stores, retirement homes,
19 hotels, financial institutions, service, health care,
20 education, recreation or research establishments, or any other
21 commercial purpose which are or are to be related to a housing
22 development.

23 (ee) The term "conservation project" means any project
24 including the acquisition, construction, rehabilitation,
25 maintenance, operation, or upgrade that is intended to create
26 or expand open space or to reduce energy usage through

1 efficiency measures. For the purpose of this definition, "open
2 space" has the definition set forth under Section 10 of the
3 Illinois Open Land Trust Act.

4 (Source: P.A. 93-205, eff. 1-1-04; 93-1101, eff. 3-31-05.)

5 (20 ILCS 3501/825-12 new)

6 Sec. 825-12. Conservation projects.

7 (a) The Authority may develop a program to provide
8 low-interest loans and other financing to individuals,
9 business entities, private organizations, and units of local
10 government for conservation projects in the State of Illinois.

11 (b) Projects under this Section may include, without
12 limitation, the acquisition of land for open-space projects,
13 preservation or recreation measures for open spaces, and energy
14 conservation or efficiency projects that are intended to reduce
15 energy usage and costs.

16 (c) The Authority, in cooperation with the Department of
17 Natural Resources and the Department of Commerce and Economic
18 Opportunity, may adopt any rules necessary for the
19 administration of this Section. The Authority must include any
20 information concerning the program under this Section on its
21 Internet website.

22 (20 ILCS 3501/830-50)

23 Sec. 830-50. Specialized Livestock Guarantee Program.

24 (a) The Authority is authorized to issue State Guarantees

1 to lenders for loans to finance or refinance debts for
2 specialized livestock operations that are or will be located in
3 Illinois. For purposes of this Section, a "specialized
4 livestock operation" includes, but is not limited to, dairy,
5 beef, and swine enterprises. For purposes of this Section, a
6 specialized livestock operation also includes livestock
7 operations using anaerobic digestors to generate electricity.

8 (b) Lenders shall apply for the State Guarantees on forms
9 provided by the Authority and certify that the application and
10 any other documents submitted are true and correct. The lender
11 or borrower, or both in combination, shall pay an
12 administrative fee as determined by the Authority. The
13 applicant shall be responsible for paying any fee or charge
14 involved in recording mortgages, releases, financing
15 statements, insurance for secondary market issues, and any
16 other similar fee or charge that the Authority may require. The
17 application shall, at a minimum, contain the farmer's name,
18 address, present credit and financial information, including
19 cash flow statements, financial statements, balance sheets,
20 and any other information pertinent to the application, and the
21 collateral to be used to secure the State Guarantee. In
22 addition, the borrower must certify to the Authority that, at
23 the time the State Guarantee is provided, the borrower will not
24 be delinquent in the repayment of any debt. The lender must
25 agree to charge a fixed or adjustable interest rate that the
26 Authority determines to be below the market rate of interest

1 generally available to the borrower. If both the lender and
2 applicant agree, the interest rate on the State guaranteed loan
3 can be converted to a fixed interest rate at any time during
4 the term of the loan.

5 (c) State Guarantees provided under this Section (i) shall
6 not exceed \$1,000,000 per applicant, (ii) shall be no longer
7 than 15 years in duration, and (iii) shall be subject to an
8 annual review and renewal by the lender and the Authority. An
9 applicant may use this program more than once, provided that
10 the aggregate principal amount of State Guarantees under this
11 Section to that applicant does not exceed \$1,000,000. A State
12 Guarantee shall not be revoked by the Authority without a
13 90-day notice, in writing, to all parties.

14 (d) The Authority shall provide or renew a State Guarantee
15 to a lender if: (i) The lender pays a fee equal to 25 basis
16 points on the loan to the Authority on an annual basis. (ii)
17 The application provides collateral acceptable to the
18 Authority that is at least equal to the State Guarantee. (iii)
19 The lender assumes all responsibility and costs for pursuing
20 legal action on collecting any loan that is delinquent or in
21 default. (iv) The lender is at risk for the first 15% of the
22 outstanding principal of the note for which the State Guarantee
23 is provided.

24 (e) The Illinois Farmer and Agribusiness Loan Guarantee
25 Fund may be used to secure State Guarantees issued under this
26 Section as provided in Section 830-35.

1 (f) Notwithstanding the provisions of this Section 830-50
2 with respect to the specialized livestock operations and
3 lenders who may obtain State Guarantees, the Authority may
4 promulgate rules establishing the eligibility of specialized
5 livestock operations and lenders to participate in the State
6 Guarantee program and the terms, standards, and procedures that
7 will apply, when the Authority finds that emergency conditions
8 in Illinois agriculture have created the need for State
9 Guarantees pursuant to terms, standards, and procedures other
10 than those specified in this Section.

11 (Source: P.A. 93-205, eff. 1-1-04.)

12 (20 ILCS 3501/845-5)

13 Sec. 845-5. The Authority may not have outstanding at any
14 one time bonds for any of its corporate purposes in an
15 aggregate principal amount exceeding \$26,650,000,000
16 ~~\$25,200,000,000~~, excluding bonds issued to refund the bonds of
17 the Authority or bonds of the Predecessor Authorities.

18 (Source: P.A. 93-205, eff. 1-1-04; 93-1101, eff. 3-31-05;
19 94-1068, eff. 8-1-06.)

20 Section 99. Effective date. This Act takes effect upon
21 becoming law."