



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB1392

Introduced 2/9/2007, by Sen. Don Harmon

SYNOPSIS AS INTRODUCED:

See Index

Creates the Open Space Financing Act. Authorizes the Department of Natural Resources to issue revenue bonds secured by real estate transfer tax receipts collected and deposited into the Open Space Bond Repayment Fund and the Natural Areas Bond Repayment Fund. Sets forth procedures for issuing the bonds and distributing the bond proceeds. Amends the Illinois Natural Areas Preservation Act. Provides that the Department of Natural Resources shall determine the manner and extent to which property under consideration for acquisition would assist in storm water management, water supply and quality assurance, or other infrastructure needs, but this determination shall not prevent the Department from acquiring property. Amends the Open Space Lands Acquisition and Development Act. Provides that grants for green infrastructure projects made before December 31, 2009 to units of local government may be conditioned upon the State providing no more than 60% of project costs and the unit of local government providing at least 40%. Sets forth additional requirements for grants for green infrastructure projects. Provides that, in considering applications for certain grants, the Department shall give scoring points to the applicants that demonstrate the greatest potential for improving water supply and quality or for reducing the capital, operating, or maintenance costs of meeting water-related infrastructure requirements. Creates the Open Space Bond Repayment Fund and the Natural Areas Bond Repayment Fund. Makes other changes. Effective immediately.

LRB095 06576 JAM 26680 b

FISCAL NOTE ACT
MAY APPLY

STATE DEBT
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning conservation.

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

4 Section 1. Short title. This Act may be cited as the Open
5 Space Financing Act.

6 Section 5. Definitions. For purposes of this Act:

7 "Act" means the Open Space Financing Act.

8 "Bond" means any type of revenue obligation, including,
9 without limitation, fixed rate, variable rate, auction rate or
10 similar bond, note, certificate, or other instrument, payable
11 from and secured by a pledge of real estate transfer tax
12 receipts collected and deposited under this Act into the Open
13 Space Bond Repayment Fund and the Natural Areas Bond Repayment
14 Fund, and all interest and other earnings upon such amounts
15 held in these funds, all to the extent provided in the
16 proceedings authorizing the obligation.

17 "Bond administrative expenses" means expenses and fees
18 incurred to administer and issue the bonds issued pursuant to
19 this Act, including fees for paying agents, trustees, financial
20 advisors, underwriters, remarketing agents, attorneys and for
21 other professional services necessary to ensure compliance
22 with applicable state or federal law and including expenses and
23 fees, if any, incurred upon a conversion of any of the bonds

1 from one mode to another and from taxable to tax-exempt.

2 "Bond obligations" means the principal of a bond and any
3 premium and interest on a bond issued pursuant to this Act,
4 together with any amount owed under a related credit agreement.

5 "Credit agreement" means, without limitation, a loan
6 agreement, a revolving credit agreement, an agreement
7 establishing a line of credit, a letter of credit, notes,
8 municipal bond insurance, standby bond purchase agreements,
9 surety bonds, remarketing agreements and the like, by which the
10 Department may borrow funds to pay or redeem or purchase and
11 hold its bonds, agreements for the purchase or remarketing of
12 bonds, or any other agreement that enhances the marketability,
13 security, or creditworthiness of a bond issued under this Act.

14 "Department" means the Department of Natural Resources.

15 "Department real estate transfer tax receipts" means the
16 moneys collected and deposited into the Open Space Lands
17 Acquisition and Development Fund and the Natural Areas
18 Acquisition Fund under Section 31-35 of the Real Estate
19 Transfer Tax Law of the Property Tax Code.

20 "Director" means the Director of Natural Resources.

21 "Natural Areas Acquisition Fund" or "NAA Fund" means the
22 fund established under Section 14 of the Open Space Lands
23 Acquisition and Development Act.

24 "Open Space Lands Acquisition Fund" or "OSLAD Fund" means
25 the fund established under Section 13 of the Open Space Lands
26 Acquisition and Development Act.

1 "Natural Areas Bond Repayment Fund" means that Fund as
2 established under Section 15.5 of the Open Space Lands
3 Acquisition and Development Act.

4 "Open Space Bond Repayment Fund" means that Fund as
5 established under Section 15 of the Open Space Lands
6 Acquisition and Development Act.

7 "Required NAA Fund real estate transfer tax receipts
8 amount" means the amount of real estate transfer tax receipts
9 that must be deposited and maintained in the Natural Areas Bond
10 Repayment Fund under subsection (i) of Section 10.

11 "Required OSLAD Fund real estate transfer tax receipts
12 amount" means the amount of real estate transfer tax receipts
13 that must be deposited and maintained in the Open Space Bond
14 Repayment Fund under subsection (h) of Section 10.

15 Section 10. Authority to issue revenue bonds.

16 (a) The Department has the continuing power to borrow money
17 for the purposes set forth in Section 15 of this Act.

18 (b) As evidence of the obligation of the Department to
19 repay money borrowed for the purposes set forth in subsection
20 (a), the Department may issue and dispose of its interest
21 bearing revenue bonds and may also, from time-to-time, issue
22 and dispose of its interest bearing revenue bonds to purchase,
23 redeem, refund, advance refund, or defease (including, any
24 combination of the foregoing) any bonds at maturity or pursuant
25 to redemption provisions or at any time before maturity. The

1 Director shall have the power to direct that the bonds be
2 issued. Bonds may be issued in one or more series and under
3 terms and conditions necessary to further the purposes of this
4 Act. The Illinois Finance Authority shall provide technical,
5 legal, or administrative services with regard to the issuance
6 of bonds. The bonds shall be issued in the name of the State of
7 Illinois for the benefit of the Department and shall be
8 executed by the Director. In case any Director whose signature
9 appears on any bond ceases (after attaching his or her
10 signature) to hold that office, her or his signature shall
11 nevertheless be valid and effective for all purposes.

12 (c) All bonds issued under this Act for purposes of Section
13 13 of the Open Space Lands Acquisition and Development Act are
14 payable from Department real estate transfer tax receipts
15 deposited in the Open Space Lands Acquisition and Development
16 Fund. All bonds issued under this Act for purposes of Section
17 14 of the Open Space Lands Acquisition and Development Act are
18 payable from Department real estate transfer tax receipts
19 deposited in the Natural Areas Acquisition Fund. Bonds may also
20 be paid from proceeds of bonds, interest income thereon, and
21 receipts from related credit and exchange agreements, to the
22 extent allowed by this Act and applicable legal requirements.

23 (d) The maximum principal amount of the bonds, when
24 combined with the outstanding principal of all other bonds
25 issued under this Act, may not, at any time, exceed:

26 (1) for bonds issued for purposes of Section 13 of the

1 Open Space Lands Acquisition and Development Act,
2 \$140,000,000, excluding all of the outstanding principal
3 of any other bonds issued under this Act for which payment
4 has been irrevocably provided by refunding or other manner
5 of defeasance; and

6 (2) for bonds issued for purposes of Section 14 of the
7 Open Space Lands Acquisition and Development Act,
8 \$60,000,000, excluding all of the outstanding principal of
9 any other bonds issued under this Act for which payment has
10 been irrevocably provided by refunding or other manner of
11 defeasance.

12 It is the intent of this Act that the outstanding bond
13 authorization limits provided for in this subsection shall be
14 revolving in nature, such that the amount of bonds outstanding
15 that are not refunded or otherwise defeased shall be included
16 in determining the maximum amount of bonds authorized to be
17 issued under the Act.

18 (e) The bonds and refunding bonds issued under this Act may
19 bear such date or dates, may mature at such time or times not
20 exceeding 30 years from their respective dates of issuance, and
21 may bear interest at such rate or rates not exceeding the
22 maximum rate authorized by the Bond Authorization Act, as
23 amended and in effect at the time of the issuance of the bonds.

24 (f) The Department may enter into a credit agreement
25 pertaining to the issuance of the bonds, upon terms that are
26 not inconsistent with this Act and any other laws, provided

1 that the term of the credit agreement shall not exceed the term
2 of the bonds, plus any time period necessary to cure any
3 defaults under the credit agreement.

4 (g) Interest earnings paid to holders of the bonds shall
5 not be exempt from income taxes imposed by the State.

6 (h) While any bond obligations are outstanding or
7 anticipated to come due as a result of bonds expected to be
8 issued for purposes of Section 13 of the Open Space Lands
9 Acquisition and Development Act in either or both of the 2
10 immediately succeeding calendar quarters, the Department must
11 collect and deposit Department real estate transfer tax
12 receipts from the Open Space Lands Acquisition and Development
13 Fund into the Open Space Bond Repayment Fund in an amount
14 necessary to satisfy the required OSLAD Fund real estate
15 transfer tax receipts amount prior to expending real estate
16 transfer tax receipts for any other purpose. The required OSLAD
17 Fund real estate transfer tax receipts amount shall be that
18 amount necessary to ensure the marketability of the bonds,
19 which shall be specified in the Bond Sale Order executed by the
20 Director in connection with the issuance of the bonds.

21 (i) While any bond obligations are outstanding or
22 anticipated to come due as a result of bonds expected to be
23 issued for the purposes of Section 14 of the Open Space Lands
24 Acquisition and Development Act in either or both of the 2
25 immediately succeeding calendar quarters, the Department must
26 collect and deposit Department real estate transfer tax

1 receipts from the Natural Areas Acquisition Fund into the
2 Natural Areas Bond Repayment Fund in an amount necessary to
3 satisfy the required NAA Fund real estate transfer tax receipts
4 amount prior to expending real estate transfer tax receipts for
5 any other purpose. The required NAA Fund real estate transfer
6 tax receipts amount shall be that amount necessary to ensure
7 the marketability of the bonds, which shall be specified in the
8 Bond Sale Order executed by the Director in connection with the
9 issuance of the bonds.

10 (j) Holders of the bonds issued for purposes of Section 13
11 of the Open Space Lands Acquisition and Development Act shall
12 have a first and priority claim on all moneys held in the Open
13 Space Bond Repayment Fund in parity with all other holders of
14 those bonds, provided that this claim may be subordinated to
15 the provider of any credit agreement for any of the bonds.
16 Holders of the bonds issued for purposes of Section 14 of the
17 Open Space Lands Acquisition and Development Act shall have a
18 first and priority claim on all moneys held in the Natural
19 Areas Bond Repayment Fund in parity with all other holders of
20 those bonds, provided that this claim may be subordinated to
21 the provider of any credit agreement for any of the bonds.

22 (k) To the extent that Department real estate transfer tax
23 receipts in the Open Space Bond Repayment Fund are not
24 otherwise needed to satisfy the requirements of this Act and
25 the instruments authorizing the issuance of the bonds, such
26 moneys shall be used by the Department, in such amounts as

1 determined by the Director, to purchase, refinance, redeem,
2 refund, advance refund, or defease (or any combination of the
3 foregoing) outstanding bonds, to the extent such action is
4 legally available and financially prudent. To the extent that
5 the moneys in the Open Space Bond Repayment Fund are not
6 otherwise needed for the foregoing purposes, such moneys shall
7 be transferred back into the Open Space Lands Acquisition and
8 Development Fund.

9 (l) To the extent that Department real estate transfer tax
10 receipts in the Natural Areas Bond Repayment Fund are not
11 otherwise needed to satisfy the requirements of this Act and
12 the instruments authorizing the issuance of the bonds, such
13 moneys shall be used by the Department, in such amounts as
14 determined by the Director, to purchase, refinance, redeem,
15 refund, advance refund, or defease (or any combination of the
16 foregoing) outstanding bonds, to the extent such action is
17 legally available and financially prudent. To the extent that
18 the moneys in the Natural Areas Bond Repayment Fund are not
19 otherwise needed for the foregoing purposes, such moneys shall
20 be transferred back into the Natural Areas Acquisition Fund.

21 (m) The Director shall determine the method of sale, type
22 of bond, bond form, redemption provisions, and other terms of
23 the bonds that, in the Director's judgment, best achieve the
24 purposes of this Act and effect the borrowing at the lowest
25 practicable cost, provided that those determinations are not
26 inconsistent with this Act or other applicable legal

1 requirements. Those determinations shall be set forth in a
2 document entitled "Bond Sale Order".

3 (n) The Director shall identify the grants to be made to
4 local governments under Section 13 of the Open Space Lands
5 Acquisition and Development Act from the proceeds of the bonds
6 and any other expenditures from the proceeds of the bonds for
7 purposes permitted under Section 13 of the Open Space Lands
8 Acquisition and Development Act. The Director shall identify
9 the natural areas to be acquired under Section 14 of the Open
10 Space Lands Acquisition and Development Act from the proceeds
11 of the bonds and any other expenditures from the proceeds of
12 the bonds for purposes permitted under Section 14 of the Open
13 Space Lands Acquisition and Development Act.

14 Section 13. Credit agreement requirements.

15 (a) Any credit agreement entered into by the Department
16 under this Act must provide the following:

17 (1) The choice of law for the obligations of a
18 financial provider may be made for any state of these
19 United States, but the law that applies to the bonds is the
20 law of the State of Illinois and jurisdiction to enforce
21 the credit agreement as against the Department is
22 exclusively in the courts of the State of Illinois or in
23 the applicable federal court having jurisdiction and
24 located within the State of Illinois.

25 (2) The credit agreement is fully enforceable as a

1 valid and binding contract as and to the extent provided by
2 applicable law.

3 (b) The credit agreement may include any of the following
4 provisions:

5 (1) Interest rates on the bonds may vary from time to
6 time depending upon criteria established by the Director,
7 which may include, without limitation: (i) a variation in
8 interest rates as may be necessary to cause the bonds to be
9 remarketed from time to time at a price equal to their
10 principal amount plus any accrued interest; (ii) rates set
11 by auctions; or (iii) rates set by formula.

12 (2) A national banking association, bank, trust
13 company, investment banker or other financial institution
14 may be appointed to serve as a remarketing agent in that
15 connection, and the remarketing agent may be delegated
16 authority by the Department to determine interest rates in
17 accordance with criteria established by the Department.

18 (3) Alternative interest rates or provisions may apply
19 during such times as the bonds are held by the financial
20 providers or similar persons or entities providing a credit
21 agreement for those bonds and, during such times, the
22 interest on the bonds may be deemed not exempt from income
23 taxation under the Internal Revenue Code for purposes of
24 State law, as contained in the Bond Authorization Act,
25 relating to the permissible rate of interest to be borne
26 thereon.

1 (4) Fees may be paid to the financial providers or
2 similar persons or entities providing a credit agreement,
3 including all reasonably related costs, including therein
4 costs of enforcement and litigation (all such fees and
5 costs being financial provider payments) and financial
6 provider payments may be paid, without limitation, from
7 proceeds of the bonds being the subject of such agreements,
8 or from bonds issued to refund such bonds, provided that
9 such financial provider payments shall be made subordinate
10 to the payments on the bonds.

11 (5) The bonds need not be held in physical form by the
12 financial providers or similar persons or entities
13 providing a credit agreement when providing funds to
14 purchase or carry the bonds from others but may be
15 represented in uncertificated form in the credit
16 agreement.

17 (6) The debt or obligation of the Department
18 represented by a Bond tendered for purchase to or otherwise
19 made available to the Department thereupon acquired by
20 either the Department or a financial provider shall not be
21 deemed to be extinguished for purposes of State law until
22 cancelled by the Department or its agent.

23 (7) The credit agreement may provide for acceleration
24 of the principal amounts due on the bonds.

25 Section 14. Bond repayment funds.

1 (a) The required OSLAD Fund real estate transfer tax
2 receipts amount deposited into the Open Space Bond Repayment
3 Fund under subsection (h) of Section 10 shall be irrevocably
4 pledged to the timely payment of bond obligations and bond
5 administrative expenses due on any bonds issued under this Act
6 for purposes of Section 13 of the Open Space Lands Acquisition
7 and Development Act and any credit agreement entered in
8 connection with those bonds. The Open Space Bond Repayment Fund
9 shall be held separate and apart from all other State funds.
10 Moneys in the Open Space Bond Repayment Fund may not be
11 commingled with other State funds, but they must be deposited,
12 as required by law, and maintained in a separate account on the
13 books of a savings and loan association, bank, or other
14 qualified financial institution. All interest earnings on
15 amounts within the Open Space Bond Repayment Fund shall accrue
16 to the Open Space Bond Repayment Fund. The Open Space Bond
17 Repayment Fund may include funds and accounts necessary for the
18 deposit of bond proceeds, OSLAD Fund transfer tax receipts,
19 payment of principal, interest, administrative expenses, costs
20 of issuance, in the case of bonds that are exempt from federal
21 taxation, rebate payments, and other funds and accounts
22 necessary for the implementation and administration of this
23 Act. The Director is liable on the Director's general official
24 bond for the faithful performance of the Director's duties as
25 custodian of the Open Space Bond Repayment Fund. This liability
26 exists in addition to the Director's liability upon any

1 separate bond given by the Director. All sums recovered for
2 losses sustained by the Open Space Bond Repayment Fund must be
3 deposited into the Open Space Bond Repayment Fund.

4 (b) The required NAA Fund real estate transfer tax receipts
5 amount deposited into the Natural Areas Bond Repayment Fund
6 under subsection (i) of Section 10 shall be irrevocably pledged
7 to the timely payment of bond obligations and bond
8 administrative expenses due on any bonds issued under this Act
9 for purposes of Section 14 of the Open Lands Acquisition and
10 Development Act and any credit agreement entered in connection
11 with those bonds. The Natural Areas Bond Repayment Fund shall
12 be held separate and apart from all other State funds. Moneys
13 in the Natural Areas Bond Repayment Fund may not be commingled
14 with other State funds, but they must be deposited, as required
15 by law, and maintained in a separate account on the books of a
16 savings and loan association, bank, or other qualified
17 financial institution. All interest earnings on amounts within
18 the Natural Areas Bond Repayment Fund shall accrue to the
19 Natural Areas Bond Repayment Fund. The Natural Areas Bond
20 Repayment Fund may include funds and accounts necessary for the
21 deposit of bond proceeds, NAA Fund transfer tax receipts,
22 payment of principal, interest, administrative expenses, costs
23 of issuance, in the case of bonds that are exempt from federal
24 taxation, rebate payments, and other funds and accounts
25 necessary for the implementation and administration of this
26 Act. The Director is liable on the Director's general official

1 bond for the faithful performance of the Director's duties as
2 custodian of the Natural Areas Bond Repayment Fund. This
3 liability exists in addition to the Director's liability upon
4 any separate bond given by the Director. All sums recovered for
5 losses sustained by the Natural Areas Bond Repayment Fund must
6 be deposited into the Natural Areas Bond Repayment Fund.

7 Section 15. Bond proceeds.

8 (a) The proceeds of any bonds issued under this Act for
9 purposes of Section 13 of the Open Space Lands Acquisition and
10 Development Act, including investment income thereon, must be
11 deposited into the Open Space Lands Acquisition and Development
12 Fund. The proceeds of any bonds issued under this Act for
13 purposes of Section 14 of the Open Space Lands Acquisition and
14 Development Act, including investment income thereon, must be
15 deposited into the Natural Areas Acquisition Fund. The proceeds
16 may be used for the following purposes and in such amounts as
17 determined by the Director:

18 (1) To carry out the purposes of Sections 13 or 14,
19 respectively, of the Open Space Lands Acquisition and
20 Development Act;

21 (2) Paying the costs of issuing or refinancing any
22 bonds issued under this Act;

23 (3) Paying the costs incurred pursuant to any credit
24 agreement executed in connection with bonds issued under
25 this Act;

1 (4) Providing an appropriate reserve for any such bonds
2 to the extent that the Director determines that an
3 appropriate reserve is warranted; and

4 (5) Paying capitalized interest on the bonds for the
5 period determined necessary by the Department, not to
6 exceed 2 years from the date of issuance of such bonds.

7 (b) Excess bond proceeds remaining available after the
8 payments and deposits required under subsection (a) have been
9 made, may be used for the following purposes, as determined by
10 the Director: (i) to purchase, redeem, or defease outstanding
11 bonds, to the extent this action is legally available; or (ii)
12 to pay any scheduled interest payment or payments due on any
13 outstanding bonds.

14 Section 20. Bonds not a pledge of the State.

15 (a) Any bonds issued under this Act, and any related credit
16 agreement, are not a pledge of the faith and credit or moral
17 obligation of the State or any State agency or political
18 subdivision of the State. All bonds, bond obligations, and
19 payment obligations deriving from any credit agreement are
20 payable solely as provided in subsection (c) of Section 10.

21 (b) Any bonds and any related credit agreement issued under
22 this Act must contain a conspicuous statement to the effect
23 that:

24 (1) Neither the State, nor any State agency, political
25 corporation, nor political subdivision of the State is

1 obligated to pay the principal of or interest on the bonds,
2 except as provided by the Open Space Lands Acquisition and
3 Development Act; and

4 (2) Neither the faith and credit of the State or any
5 State agency, political corporation, or political
6 subdivision of the State, nor the moral obligation of any
7 of them, is pledged to the payment of the principal of or
8 interest on the bonds.

9 Section 25. State not to impair bond obligations. While
10 bonds under this Act are outstanding, the State irrevocably
11 pledges and covenants that it shall not:

12 (1) take action to limit or restrict the rights of the
13 Department to fulfill its responsibilities to pay bond
14 obligations or bond administrative expenses or otherwise
15 comply with instruments entered into by the Department
16 pertaining to the issuance of the bonds;

17 (2) in any way impair the rights and remedies of the
18 holders of the bonds until the bonds are fully discharged;
19 or

20 (3) reduce the real estate transfer tax rates below the
21 levels in existence on the effective date of this Act.

22 Section 30. Continuing appropriation. This Act shall
23 constitute an irrevocable and continuing appropriation of all
24 amounts necessary in respect to use of Department real estate

1 transfer tax receipts and bond proceeds for purposes specified
2 in this Act, including, without limitation, for the provision
3 for payment of principal and interest on the bonds and other
4 amounts due in connection with the issuance of the bonds under
5 this Act, to the fullest extent the appropriation is required.

6 Section 35. Director's supplemental authority. The
7 Director, on behalf of the Department, is authorized to enter
8 into the covenants and agreements required by this Act, make
9 any determinations, calculations, rules, or other
10 promulgations required by this Act and engage or hire the
11 necessary attorneys, financial advisors, consultants,
12 verification agents, trustees, underwriters, remarketing
13 agents, and other professionals necessary to carry out the
14 purposes and intent of this Act, unless otherwise expressly
15 specified or required under this Act.

16 Section 40. Personal liability. No director, officer, or
17 employee of the Department or the State shall be personally
18 liable as a result of exercising the rights and
19 responsibilities granted under this Act.

20 Section 45. Omnibus Bonds Acts. With respect to
21 instruments for the payment of moneys issued under this Act, it
22 is and always has been the intention of the General Assembly
23 (i) that the Omnibus Bond Acts are and always have been

1 supplementary grants of power to issue instruments in
2 accordance with the Omnibus Bond Acts, regardless of any
3 provision of this Act that may appear to be or to have been
4 more restrictive than those Omnibus Bond Acts, (ii) that the
5 provisions of this Act are not a limitation on the
6 supplementary authority granted by the Omnibus Bond Acts, and
7 (iii) that instruments issued under this Act within the
8 supplementary authority granted by the Omnibus Bond Acts are
9 not invalid because of any provision of this Act that may
10 appear to be or to have been more restrictive than those
11 Omnibus Bond Acts.

12 Section 95. The Illinois Natural Areas Preservation Act is
13 amended by adding Section 7.07 as follows:

14 (525 ILCS 30/7.07 new)

15 Sec. 7.07. To determine the manner and extent to which
16 property under consideration for acquisition would assist in
17 storm water management, water supply and quality assurance, or
18 other infrastructure needs. The Department, however, may
19 acquire property regardless of the results of this
20 determination.

21 Section 100. The Open Space Lands Acquisition and
22 Development Act is amended by changing Sections 3, 11, 13, and
23 14 and by adding Sections 8, 9.1, 15, and 15.5 as follows:

1 (525 ILCS 35/3) (from Ch. 85, par. 2103)

2 Sec. 3. From appropriations made from the Capital
3 Development Fund, Build Illinois Bond Fund, the Open Space Land
4 Acquisition and Development Fund, Natural Areas Acquisition
5 Fund, or other available or designated funds for such purposes,
6 the Department shall make grants to local governments as
7 financial assistance, on a reimbursement basis, for the capital
8 development and improvement of park, recreation or
9 conservation areas, marinas and shorelines, including planning
10 and engineering costs, and for the acquisition of open space
11 lands, including acquisition of easements and other property
12 interests less than fee simple ownership if the Department
13 determines that such property interests are sufficient to carry
14 out the purposes of this Act, subject to the conditions and
15 limitations set forth in this Act.

16 No more than 10% of the amount so appropriated for any
17 fiscal year may be committed or expended on any one project
18 described in an application submitted under this Act. No more
19 than 20% of the amount so appropriated for any fiscal year may
20 be committed or expended on projects under Section 8 of this
21 Act.

22 Any grant under this Act to a local government shall be
23 conditioned upon the state providing assistance on a 50/50
24 matching basis for the acquisition of open space lands and for
25 capital development and improvement proposals; provided,

1 however, that grants made before December 31, 2009 to units of
2 local government that apply under Section 8 of this Act may be
3 conditioned upon the State providing no more than 60% of the
4 total cost of the project and the unit of local government
5 providing at least 40% of the total cost of the project.

6 (Source: P.A. 94-91, eff. 7-1-05.)

7 (525 ILCS 35/8 new)

8 Sec. 8. Green infrastructure projects.

9 (a) The purpose of this Section is to foster, through the
10 environmentally sensitive design and management of open
11 spaces, the acquisition, restoration, design, and management
12 of open spaces, parks, forest preserves, and conservation areas
13 for the combined purposes of creating recreational
14 opportunities and of performing green infrastructure services
15 traditionally provided by built infrastructure, including but
16 not limited to, stormwater mitigation, flood control, and air
17 and water quality enhancement.

18 (b) In addition to the requirements set forth in Section 4
19 of this Act, an application made pursuant to this Section shall
20 demonstrate:

21 (1) how the project combines recreational
22 opportunities with green infrastructure services;

23 (2) the relationship of the project to plans of the
24 applicant and other local government entities, including
25 but not limited to, plans for trail systems, flood control,

1 surface water and storm water management, and habitat
2 conservation; and

3 (3) whether the project is part of a proposed or
4 existing green corridor connecting open spaces or natural
5 areas.

6 (c) In considering applications for grants under this
7 Section, the Department shall give additional points in scoring
8 criteria to projects that demonstrate the greatest potential
9 for improving water supply and quality or for reducing the
10 capital, operating, or maintenance costs of meeting
11 water-related infrastructure requirements.

12 (525 ILCS 35/9.1 new)

13 Sec. 9.1. Technical assistance; green infrastructure
14 projects. The Department shall provide technical assistance to
15 units of local government in preparing applications for grants
16 and in performing evaluations of projects funded pursuant to
17 Section 8 of this Act. The Department, through December 31,
18 2008, may use no more than 2% (and no more than 1% thereafter)
19 of funds appropriated for the purposes of this Act to contract
20 with other public bodies and other entities, including
21 universities and non-profit organizations, for technical
22 assistance in developing, testing, and evaluating the green
23 infrastructure policies and programs authorized in this Act,
24 and for the provision of technical assistance to units of local
25 government.

1 (525 ILCS 35/11) (from Ch. 85, par. 2111)

2 Sec. 11. Progress reports on the implementation ~~and~~
3 ~~development~~ of this Act shall be filed annually with the
4 Governor and the General Assembly. Such reports shall include a
5 statement of goals and objectives and such quantifiable support
6 documentation as expenditures, allocation of funds by
7 location, including ~~such~~ performance and measurement criteria
8 sufficient to enable the General Assembly to properly evaluate
9 and review program effectiveness. Beginning in calendar year
10 2006, the annual report shall also include: (i) descriptions of
11 projects approved pursuant to Section 8 of this Act, including
12 an evaluation of the cost-effectiveness of those projects in
13 providing green infrastructure services, including but not
14 limited to, storm water mitigation, flood control, and air and
15 water quality enhancement and (ii) information on bonds issued
16 pursuant to the Open Space Financing Act and bonds outstanding.

17 (Source: P.A. 84-109.)

18 (525 ILCS 35/13) (from Ch. 85, par. 2113)

19 Sec. 13. Open Space Lands Acquisition and Development Fund.
20 There is hereby created in the State Treasury the Open Space
21 Lands Acquisition and Development Fund. The fund shall be used
22 by the Department (i) to make grants to local governments in
23 the manner and for the purposes described in Section 3; (ii) to
24 provide funding for the services described in Section 9.1; and

1 (iii) for the purposes set forth in Section 15 of the Open
2 Space Financing Act.

3 (Source: P.A. 86-925.)

4 (525 ILCS 35/14) (from Ch. 85, par. 2114)

5 Sec. 14. There is hereby created in the State Treasury the
6 Natural Areas Acquisition Fund. The fund shall be used by the
7 Department for (i) the acquisition, preservation and
8 stewardship of natural areas, including habitats for
9 endangered and threatened species, high quality natural
10 communities, wetlands, and other areas with unique or unusual
11 natural heritage qualities and (ii) for the purposes set forth
12 in Section 15 of the Open Space Financing Act.

13 (Source: P.A. 86-925.)

14 (525 ILCS 35/15 new)

15 Sec. 15. Open Space Bond Repayment Fund. There is
16 established the Open Space Bond Repayment Fund held by the
17 Director or his or her designee as ex-officio custodian thereof
18 separate and apart from all other State funds. The moneys in
19 the Fund must be used in accordance with the Open Space
20 Financing Act.

21 (525 ILCS 35/15.5 new)

22 Sec. 15.5. Natural Areas Bond Repayment Fund. There is
23 established the Natural Areas Bond Repayment Fund held by the

1 Director or his or her designee as ex-officio custodian thereof
2 separate and apart from all other State funds. The moneys in
3 the Fund must be used in accordance with the Open Space
4 Financing Act.

5 Section 999. Effective date. This Act takes effect upon
6 becoming law.

1		INDEX
2		Statutes amended in order of appearance
3	New Act	
4	525 ILCS 30/7.07 new	
5	525 ILCS 35/3	from Ch. 85, par. 2103
6	525 ILCS 35/8 new	
7	525 ILCS 35/9.1 new	
8	525 ILCS 35/11	from Ch. 85, par. 2111
9	525 ILCS 35/13	from Ch. 85, par. 2113
10	525 ILCS 35/14	from Ch. 85, par. 2114
11	525 ILCS 35/15 new	
12	525 ILCS 35/15.5 new	