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09600HB5226ham001

LRB096 18771 JDS 38105 a

1 AMENDMENT TO HOUSE BILL 5226

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 5226 by replacing  
3 everything after the enacting clause with the following:

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

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

7 Sec. 19.3. Water Revolving Fund.

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

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

1           (1) to accept and retain funds from grant awards,  
2           appropriations, transfers, and payments of interest and  
3           principal;

4           (2) to make direct loans at or below market interest  
5           rates and to provide additional subsidization, including,  
6           but not limited to, forgiveness of principal, negative  
7           interest rates, and grants, to any eligible local  
8           government unit to finance the construction of wastewater  
9           treatments works and projects that fulfill federal State  
10           Revolving Fund grant requirements for a green project  
11           reserve;

12           (2.5) with respect to funds provided under the American  
13           Recovery and Reinvestment Act of 2009:

14           (A) to make direct loans at or below market  
15           interest rates to any eligible local government unit  
16           and to provide additional subsidization to any  
17           eligible local government unit, including, but not  
18           limited to, forgiveness of principal, negative  
19           interest rates, and grants;

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

24           (C) to provide additional subsidization,  
25           including, but not limited to, forgiveness of  
26           principal, negative interest rates, and grants for

1 treatment works incurred on or after October 1, 2008;

2 (3) to make direct loans at or below market interest  
3 rates and to provide additional subsidization, including,  
4 but not limited to, forgiveness of principal, negative  
5 interest rates, and grants, to any eligible local  
6 government unit to buy or refinance debt obligations for  
7 costs ~~treatment works~~ incurred after March 7, 1985, for the  
8 construction of wastewater treatment works, and projects  
9 that fulfill federal State Revolving Fund grant  
10 requirements for a green project reserve;

11 (3.5) to make direct loans at or below market interest  
12 rates for the implementation of a management program  
13 established under Section 319 of the Federal Water  
14 Pollution Control Act, as amended;

15 (4) to guarantee or purchase insurance for local  
16 obligations where such action would improve credit market  
17 access or reduce interest rates;

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

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

25 (7) to transfer funds to the Public Water Supply Loan  
26 Program.

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

3 (1) to accept and retain funds from grant awards and  
4 appropriations;

5 (2) to finance the reasonable costs incurred by the  
6 Agency in the administration of the Fund, including  
7 activities under Title III of this Act, including the  
8 administration of the State construction grant program;

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

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

13 (5) to finance the development of the low interest loan  
14 programs ~~program~~ for water pollution control and public  
15 water supply projects;

16 (6) to finance the reasonable costs incurred by the  
17 Agency to provide technical assistance for public water  
18 supplies; and

19 (7) to finance the reasonable costs incurred by the  
20 Agency for public water system supervision programs, to  
21 administer or provide for technical assistance through  
22 source water protection programs, to develop and implement  
23 a capacity development strategy, to delineate and assess  
24 source water protection areas, and for an operator  
25 certification program in accordance with Section 1452 of  
26 the federal Safe Drinking Water Act.

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

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

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

16 (2.5) with respect to funds provided under the American  
17 Recovery and Reinvestment Act of 2009:

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

26 (B) to buy or refinance the debt obligation of a

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

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

8 (3) to make direct loans at or below market interest  
9 rates and to provide additional subsidization, including,  
10 but not limited to, forgiveness of principal, negative  
11 interest rates, and grants, to any eligible local  
12 government unit or to any eligible privately owned  
13 community water supply to buy or refinance ~~the~~ debt  
14 obligations obligation of a local government unit for costs  
15 incurred on or after July 17, 1997, for the construction of  
16 water supplies and projects that fulfill federal State  
17 Revolving Fund requirements for a green project reserve;

18 (4) to guarantee local obligations where such action  
19 would improve credit market access or reduce interest  
20 rates;

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

26 (6) to transfer funds to the Water Pollution Control

1           Loan Program.

2           (e) The Agency is designated as the administering agency of  
3 the Fund. The Agency shall submit to the Regional Administrator  
4 of the United States Environmental Protection Agency an  
5 intended use plan which outlines the proposed use of funds  
6 available to the State. The Agency shall take all actions  
7 necessary to secure to the State the benefits of the federal  
8 Water Pollution Control Act and the federal Safe Drinking Water  
9 Act, as now or hereafter amended.

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

1 Revolving Fund.

2 (Source: P.A. 96-8, eff. 4-28-09.)

3 Section 99. Effective date. This Act takes effect upon  
4 becoming law.".