



Sen. David Koehler

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1 AMENDMENT TO SENATE BILL 390

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 390 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 825-65, 825-70, and 825-75 as follows:

6 (20 ILCS 3501/825-65)

7 Sec. 825-65. Clean Coal, Coal, Energy Efficiency, and  
8 Renewable Energy Project Financing.

9 (a) Findings and declaration of policy.

10 (i) It is hereby found and declared that Illinois has  
11 abundant coal resources and, in some areas of Illinois, the  
12 demand for power exceeds the generating capacity.  
13 Incentives to encourage the construction of coal-fueled  
14 electric generating plants in Illinois to ensure power  
15 generating capacity into the future and to advance clean  
16 coal technology and the use of Illinois coal are in the

1 best interests of all of the citizens of Illinois.

2 (ii) It is further found and declared that Illinois has  
3 abundant potential and resources to develop renewable  
4 energy resource projects and that there are many  
5 opportunities to invest in cost-effective energy  
6 efficiency projects throughout the State. The development  
7 of those projects will create jobs and investment as well  
8 as decrease environmental impacts and promote energy  
9 independence in Illinois. Accordingly, the development of  
10 those projects is in the best interests of all of the  
11 citizens of Illinois.

12 (iii) The Authority is authorized to issue bonds to  
13 help finance Clean Coal, Coal, Energy Efficiency, and  
14 Renewable Energy projects pursuant to this Section.

15 (b) Definitions.

16 (i) "Clean Coal Project" means (A) "clean coal  
17 facility", as defined in Section 1-10 of the Illinois Power  
18 Agency Act; (B) "clean coal SNG facility", as defined in  
19 Section 1-10 of the Illinois Power Agency Act; (C)  
20 transmission lines and associated equipment that transfer  
21 electricity from points of supply to points of delivery for  
22 projects described in this subsection (b); (D) pipelines or  
23 other methods to transfer carbon dioxide from the point of  
24 production to the point of storage or sequestration for  
25 projects described in this subsection (b); or (E) projects  
26 to provide carbon abatement technology for existing

1 generating facilities.

2 (ii) "Coal Project" means new electric generating  
3 facilities or new gasification facilities, as defined in  
4 Section 605-332 of the Department of Commerce and Economic  
5 Opportunity Law of the Civil Administrative Code of  
6 Illinois, which may include mine-mouth power plants,  
7 projects that employ the use of clean coal technology,  
8 projects to provide scrubber technology for existing  
9 energy generating plants, or projects to provide electric  
10 transmission facilities or new gasification facilities.

11 (iii) "Energy Efficiency Project" means measures that  
12 reduce the amount of electricity or natural gas required to  
13 achieve a given end use, consistent with Section 1-10 of  
14 the Illinois Power Agency Act.

15 (iv) "Renewable Energy Project" means (A) a project  
16 that uses renewable energy resources, as defined in Section  
17 1-10 of the Illinois Power Agency Act; (B) a project that  
18 uses environmentally preferable technologies and practices  
19 that result in improvements to the production of renewable  
20 fuels, including but not limited to, cellulosic  
21 conversion, water and energy conservation, fractionation,  
22 alternative feedstocks, or reduced green house gas  
23 emissions; (C) transmission lines and associated equipment  
24 that transfer electricity from points of supply to points  
25 of delivery for projects described in this subsection (b);  
26 or (D) projects that use technology for the storage of

1 renewable energy, including, without limitation, the use  
2 of battery or electrochemical storage technology for  
3 mobile or stationary applications.

4 (c) Creation of reserve funds. The Authority may establish  
5 and maintain one or more reserve funds to enhance bonds issued  
6 by the Authority for a Clean Coal Project, a Coal Project, an  
7 Energy Efficiency Project, or a Renewable Energy Project. There  
8 may be one or more accounts in these reserve funds in which  
9 there may be deposited:

10 (1) any proceeds of the bonds issued by the Authority  
11 required to be deposited therein by the terms of any  
12 contract between the Authority and its bondholders or any  
13 resolution of the Authority;

14 (2) any other moneys or funds of the Authority that it  
15 may determine to deposit therein from any other source; and

16 (3) any other moneys or funds made available to the  
17 Authority. Subject to the terms of any pledge to the owners  
18 of any bonds, moneys in any reserve fund may be held and  
19 applied to the payment of principal, premium, if any, and  
20 interest of such bonds.

21 (d) Powers and duties. The Authority has the power:

22 (1) To issue bonds in one or more series pursuant to  
23 one or more resolutions of the Authority for any Clean Coal  
24 Project, Coal Project, Energy Efficiency Project, or  
25 Renewable Energy Project authorized under this Section,  
26 within the authorization set forth in subsection (e).

1           (2) To provide for the funding of any reserves or other  
2 funds or accounts deemed necessary by the Authority in  
3 connection with any bonds issued by the Authority.

4           (3) To pledge any funds of the Authority or funds made  
5 available to the Authority that may be applied to such  
6 purpose as security for any bonds or any guarantees,  
7 letters of credit, insurance contracts or similar credit  
8 support or liquidity instruments securing the bonds.

9           (4) To enter into agreements or contracts with third  
10 parties, whether public or private, including, without  
11 limitation, the United States of America, the State or any  
12 department or agency thereof, to obtain any  
13 appropriations, grants, loans or guarantees that are  
14 deemed necessary or desirable by the Authority. Any such  
15 guarantee, agreement or contract may contain terms and  
16 provisions necessary or desirable in connection with the  
17 program, subject to the requirements established by the  
18 Act.

19           (5) To exercise such other powers as are necessary or  
20 incidental to the foregoing.

21           (e) Clean Coal Project, Coal Project, Energy Efficiency  
22 Project, and Renewable Energy Project bond authorization and  
23 financing limits. In addition to any other bonds authorized to  
24 be issued under Sections 801-40(w), 825-60, 830-25 and 845-5,  
25 the Authority may have outstanding, at any time, bonds for the  
26 purpose enumerated in this Section 825-65 in an aggregate

1 principal amount that shall not exceed \$3,000,000,000, subject  
2 to the following limitations: (i) up to \$300,000,000 may be  
3 issued to finance projects, as described in clause (C) of  
4 subsection (b)(i) and clause (C) of subsection (b)(iv) ~~(b)(iii)~~  
5 of this Section 825-65; (ii) up to \$500,000,000 may be issued  
6 to finance projects, as described in clauses (D) and (E) of  
7 subsection (b)(i) of this Section 825-65; (iii) up to  
8 \$2,000,000,000 may be issued to finance Clean Coal Projects, as  
9 described in clauses (A) and (B) of subsection (b)(i) of this  
10 Section 825-65 and Coal Projects, as described in subsection  
11 (b)(ii) of this Section 825-65; and (iv) up to \$2,000,000,000  
12 may be issued to finance Energy Efficiency Projects, as  
13 described in subsection (b)(iii) of this Section 825-65 and  
14 Renewable Energy Projects, as described in clauses (A), (B),  
15 and (D) of subsection (b)(iii) of this Section 825-65. An  
16 application for a loan financed from bond proceeds from a  
17 borrower or its affiliates for a Clean Coal Project, a Coal  
18 Project, Energy Efficiency Project, or a Renewable Energy  
19 Project may not be approved by the Authority for an amount in  
20 excess of \$450,000,000 for any borrower or its affiliates.  
21 These bonds shall not constitute an indebtedness or obligation  
22 of the State of Illinois and it shall be plainly stated on the  
23 face of each bond that it does not constitute an indebtedness  
24 or obligation of the State of Illinois, but is payable solely  
25 from the revenues, income or other assets of the Authority  
26 pledged therefor.

1 (f) The bonding authority granted under this Section is in  
2 addition to and not limited by the provisions of Section 845-5.  
3 (Source: P.A. 95-470, eff. 8-27-07; 96-103, eff. 1-1-10.)

4 (20 ILCS 3501/825-70)

5 Sec. 825-70. Criteria for participation in the program.  
6 Applications to the Authority for financing of any Clean Coal,  
7 Coal, Energy Efficiency Project, or Renewable Energy Project  
8 shall be reviewed by the Authority. Upon submission of any such  
9 application, the Authority staff shall review the application  
10 for its completeness and may, at the discretion of the  
11 Authority staff, request such additional information as it  
12 deems necessary or advisable to aid in review. If the Authority  
13 receives applications for financing for Clean Coal, Coal,  
14 Energy Efficiency Project, or Renewable Energy Projects in  
15 excess of the bond authorization available for such financing  
16 at any one time, it shall consider applications in the order of  
17 priority as it shall determine, in consultation with other  
18 State agencies, and consistent with State policy to promote  
19 environmentally preferable technology and energy independence.  
20 (Source: P.A. 96-103, eff. 1-1-10.)

21 (20 ILCS 3501/825-75)

22 Sec. 825-75. Additional Security. In the event that the  
23 Authority determines that monies of the Authority will not be  
24 sufficient for the payment of the principal of and interest on

1 any bonds issued by the Authority under Sections 825-65 through  
2 825-75 of this Act for Clean Coal Projects, Coal Projects,  
3 Energy Efficiency Projects, or Renewable Energy Projects  
4 during the next State fiscal year, the Chairperson, as soon as  
5 practicable, shall certify to the Governor the amount required  
6 by the Authority to enable it to pay such principal, premium,  
7 if any, and interest on such bonds. The Governor shall submit  
8 the amount so certified to the General Assembly as soon as  
9 practicable, but no later than the end of the current State  
10 fiscal year. This subsection shall apply to any bonds or notes  
11 as to which the Authority shall have determined, in the  
12 resolution authorizing the issuance of the bonds or notes, that  
13 this subsection shall apply. Whenever the Authority makes such  
14 a determination, that fact shall be plainly stated on the face  
15 of the bonds or notes and that fact should also be reported to  
16 the Governor. In the event of a withdrawal of moneys from a  
17 reserve fund established with respect to any issue or issues of  
18 bonds of the Authority to pay principal, premium, if any, and  
19 interest on such bonds, the Chairman of the Authority, as soon  
20 as practicable, shall certify to the Governor the amount  
21 required to restore the reserve fund to the level required in  
22 the resolution or indenture securing those bonds. The Governor  
23 shall submit the amount so certified to the General Assembly as  
24 soon as practicable, but no later than the end of the current  
25 State fiscal year. The Authority shall obtain written approval  
26 from the Governor for any bonds and notes to be issued under



1 this Section.

2 (Source: P.A. 95-470, eff. 8-27-07; 96-103, eff. 1-1-10.)

3 Section 99. Effective date. This Act takes effect January  
4 1, 2010.".