



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB1480

Introduced 2/18/2009, by Sen. Jeffrey M. Schoenberg

SYNOPSIS AS INTRODUCED:

New Act
5 ILCS 70/8

from Ch. 1, par. 1107

Creates the State University Certificates of Participation Act. Provides that the power of the board of trustees of any State university to enter into contracts includes, but is not limited to, the power to enter into financing agreements in connection with the financing of capital improvements by selling certificates of participation in the installment payments made under such financing agreements. Allows such financing agreements to be entered into for any period of time less than or equal to 30 years, but not to exceed the useful life of the capital improvement. Provides that, upon determination by the board of trustees of a State university to undertake a transaction for the sale of certificates of participation and enter into related financing agreements in connection with the financing of capital improvements, the board shall adopt a resolution or resolutions describing in a general way the contemplated facilities or a combination thereof designated as the project, the estimated cost thereof, and any additional relevant information. Provides that these provisions are declaratory of existing law. Amends the Statute on Statutes to provide that a citation to the Omnibus Bond Acts is a citation to the State University Certificates of Participation Act.

LRB096 08913 NHT 19049 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning education.

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 State
5 University Certificates of Participation Act.

6 Section 5. Definitions. As used in this Act:

7 "Board" means the Board of Trustees of a State University.

8 "State University" means the University of Illinois,
9 Southern Illinois University, Chicago State University,
10 Eastern Illinois University, Governors State University,
11 Illinois State University, Northeastern Illinois University,
12 Northern Illinois University, and Western Illinois University
13 and any of their successors.

14 Section 10. Certificates of participation. The power of the
15 Board of any State University to enter into contracts includes,
16 but is not limited to, the power to enter into financing
17 agreements in connection with the financing of capital
18 improvements (including technology or other related
19 improvements) by selling certificates of participation in the
20 installment payments made under such financing agreements.
21 Such financing agreements may be entered into for any period of
22 time less than or equal to 30 years, but not to exceed the

1 useful life of the capital improvement. Upon determination by
2 the Board of a State University to undertake a transaction for
3 the sale of certificates of participation and enter into
4 related financing agreements in connection with the financing
5 of capital improvements, the Board shall adopt a resolution or
6 resolutions describing in a general way the contemplated
7 facilities or a combination thereof designated as the project,
8 the estimated cost thereof, and any additional relevant
9 information. This Section is declaratory of existing law.

10 Section 90. The Statute on Statutes is amended by changing
11 Section 8 as follows:

12 (5 ILCS 70/8) (from Ch. 1, par. 1107)

13 Sec. 8. Omnibus Bond Acts.

14 (a) A citation to the Omnibus Bond Acts is a citation to
15 all of the following Acts, collectively, as amended from time
16 to time: the Bond Authorization Act, the Registered Bond Act,
17 the Municipal Bond Reform Act, the Local Government Debt Reform
18 Act, subsection (a) of Section 1-7 of the Property Tax
19 Extension Limitation Act, subsection (a) of Section 18-190 of
20 the Property Tax Code, the Uniform Facsimile Signature of
21 Public Officials Act, the Local Government Bond Validity Act,
22 the Illinois Finance Authority Act, the Public Funds Investment
23 Act, the Local Government Credit Enhancement Act, the Local
24 Government Defeasance of Debt Law, the Intergovernmental

1 Cooperation Act, the Local Government Financial Planning and
2 Supervision Act, the Special Assessment Supplemental Bond and
3 Procedure Act, Section 12-5 of the Election Code, the State
4 University Certificates of Participation Act, and any similar
5 Act granting additional omnibus bond powers to governmental
6 entities generally, whether enacted before, on, or after the
7 effective date of this amendatory Act of 1989.

8 (b) The General Assembly recognizes that the proliferation
9 of governmental entities has resulted in the enactment of
10 hundreds of statutory provisions relating to the borrowing and
11 other powers of governmental entities. The General Assembly
12 addresses and has addressed problems common to all such
13 governmental entities so that they have equal access to the
14 municipal bond market. It has been, and will continue to be,
15 the intention of the General Assembly to enact legislation
16 applicable to governmental entities in an omnibus fashion, as
17 has been done in the provisions of the Omnibus Bond Acts.

18 (c) It is and always has been the intention of the General
19 Assembly that the Omnibus Bond Acts are and always have been
20 supplementary grants of power, cumulative in nature and in
21 addition to any power or authority granted in any other laws of
22 the State. The Omnibus Bond Acts are supplementary grants of
23 power when applied in connection with any similar grant of
24 power or limitation contained in any other law of the State,
25 whether or not the other law is enacted or amended after an
26 Omnibus Bond Act or appears to be more restrictive than an

1 Omnibus Bond Act, unless the General Assembly expressly
2 declares in such other law that a specifically named Omnibus
3 Bond Act does not apply.

4 (d) All instruments providing for the payment of money
5 executed by or on behalf of any governmental entity organized
6 by or under the laws of this State, including without
7 limitation the State, to carry out a public governmental or
8 proprietary function, acting through its corporate
9 authorities, or which any governmental entity has assumed or
10 agreed to pay, which were:

11 (1) issued or authorized to be issued by proceedings
12 adopted by such corporate authorities before the effective
13 date of this amendatory Act of 1989;

14 (2) issued or authorized to be issued in accordance
15 with the procedures set forth in or pursuant to any
16 authorization contained in any of the Omnibus Bond Acts;
17 and

18 (3) issued or authorized to be issued for any purpose
19 authorized by the laws of this State, are valid and legally
20 binding obligations of the governmental entity issuing
21 such instruments, payable in accordance with their terms.

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