



Sen. Mike Jacobs

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09600SB1783sam001

LRB096 11147 RLJ 24518 a

1 AMENDMENT TO SENATE BILL 1783

2 AMENDMENT NO. _____. Amend Senate Bill 1783 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Quad Cities Regional Economic Development
5 Authority Act, approved September 22, 1987 is amended by
6 changing Section 9 as follows:

7 (70 ILCS 510/9) (from Ch. 85, par. 6209)

8 Sec. 9. Bonds and notes. (a) (1) The Authority may, with the
9 written approval of the Governor, at any time and from time to
10 time, issue bonds and notes for any corporate purpose,
11 including the establishment of reserves and the payment of
12 interest. In this Act the term "bonds" includes notes of any
13 kind, interim certificates, refunding bonds or any other
14 evidence of obligation.

15 (2) The bonds of any issue shall be payable solely from the
16 property or receipts of the Authority, including, without

1 limitation:

2 (I) fees, charges or other revenues payable to the
3 Authority;

4 (II) payments by financial institutions, insurance
5 companies, or others pursuant to letters or lines of credit,
6 policies of insurance, or purchase agreements;

7 (III) investment earnings from funds or accounts
8 maintained pursuant to a bond resolution or trust agreement;
9 and

10 (IV) proceeds of refunding bonds.

11 (3) Bonds shall be authorized by a resolution of the
12 Authority and may be secured by a trust agreement by and
13 between the Authority and a corporate trustee or trustees,
14 which may be any trust company or bank having the powers of a
15 trust company within or without the State. Bonds shall:

16 (I) be issued at, above or below par value, for cash or
17 other valuable consideration, and mature at time or times,
18 whether as serial bonds or as term bonds or both, not exceeding
19 40 years from their respective date of issue; however, the
20 length of the term of the bond should bear a reasonable
21 relationship to the value life of the item financed;

22 (II) bear interest at the fixed or variable rate or rates
23 determined by the method provided in the resolution or trust
24 agreement;

25 (III) be payable at a time or times, in the denominations
26 and form, either coupon or registered or both, and carry the

1 registration and privileges as to conversion and for the
2 replacement of mutilated, lost or destroyed bonds as the
3 resolution or trust agreement may provide;

4 (IV) be payable in lawful money of the United States at a
5 designated place;

6 (V) be subject to the terms of purchase, payment,
7 redemption, refunding or refinancing that the resolution or
8 trust agreement provides;

9 (VI) be executed by the manual or facsimile signatures of
10 the officers of the Authority designated by the Authority,
11 which signatures shall be valid at delivery even for one who
12 has ceased to hold office; and

13 (VII) be sold in the manner and upon the terms determined
14 by the Authority.

15 (b) Any resolution or trust agreement may contain
16 provisions which shall be a part of the contract with the
17 holders of the bonds as to:

18 (1) pledging, assigning or directing the use, investment or
19 disposition of receipts of the Authority or proceeds or
20 benefits of any contract and conveying or otherwise securing
21 any property or property rights;

22 (2) the setting aside of loan funding deposits, debt
23 service reserves, capitalized interest accounts, cost of
24 issuance accounts and sinking funds, and the regulations,
25 investment and disposition thereof;

26 (3) limitations on the purpose to which or the investments

1 in which the proceeds of sale of any issue of bonds may be
2 applied and restrictions to investment of revenues or bond
3 proceeds in government obligations for which principal and
4 interest are unconditionally guaranteed by the United States of
5 America;

6 (4) limitations on the issue of additional bonds, the terms
7 upon which additional bonds may be issued and secured, the
8 terms upon which additional bonds may rank on a parity with, or
9 be subordinate or superior to, other bonds;

10 (5) the refunding or refinancing of outstanding bonds;

11 (6) the procedure, if any, by which the terms of any
12 contract with bondholders may be altered or amended and the
13 amount of bonds and holders of which must consent thereto, and
14 the manner in which consent shall be given;

15 (7) defining the acts or omissions which shall constitute a
16 default in the duties of the Authority to holders of bonds and
17 providing the rights or remedies of such holders in the event
18 of a default which may include provisions restricting
19 individual right of action by bondholders;

20 (8) providing for guarantees, pledges of property, letters
21 of credit, or other security, or insurance for the benefit of
22 bondholders; and

23 (9) any other matter relating to the bonds which the
24 Authority determines appropriate.

25 (c) No member of the Authority nor any person executing the
26 bonds shall be liable personally on the bonds or subject to any

1 personal liability by reason of the issuance of the bonds.

2 (d) The Authority may enter into agreements with agents,
3 banks, insurers or others for the purpose of enhancing the
4 marketability of or as security for its bonds.

5 (e) (1) A pledge by the Authority of revenues as security
6 for an issue of bonds shall be valid and binding from the time
7 when the pledge is made.

8 (2) The revenues pledged shall immediately be subject to
9 the lien of the pledge without any physical delivery or further
10 act, and the lien of any pledge shall be valid and binding
11 against any person having any claim of any kind in tort,
12 contract or otherwise against the Authority, irrespective of
13 whether the person has notice.

14 (3) No resolution, trust agreement or financing statement,
15 continuation statement, or other instrument adopted or entered
16 into by the Authority need be filed or recorded in any public
17 record other than the records of the authority in order to
18 perfect the lien against third persons, regardless of any
19 contrary provision of law.

20 (f) The Authority may issue bonds to refund any of its
21 bonds then outstanding, including the payment of any redemption
22 premium and any interest accrued or to accrue to the earliest
23 or any subsequent date of redemption, purchase or maturity of
24 the bonds. Refunding bonds may be issued for the public
25 purposes of realizing savings in the effective costs of debt
26 service, directly or through a debt restructuring, for

1 alleviating impending or actual default and may be issued in
2 one or more series in an amount in excess of that of the bonds
3 to be refunded.

4 (g) Bonds or notes of the Authority may be sold by the
5 Authority through the process of competitive bid or negotiated
6 sale.

7 (h) At no time shall the total outstanding bonds and notes
8 of the Authority exceed \$250 ~~\$100~~ million.

9 (i) The bonds and notes of the Authority shall not be debts
10 of the State.

11 (j) In no event may proceeds of bonds or notes issued by
12 the Authority be used to finance any structure which is not
13 constructed pursuant to an agreement between the Authority and
14 a party, which provides for the delivery by the party of a
15 completed structure constructed pursuant to a fixed price
16 contract, and which provides for the delivery of such structure
17 at such fixed price to be insured or guaranteed by a third
18 party determined by the Authority to be capable of completing
19 construction of such a structure.

20 (Source: P.A. 85-713.)

21 Section 10. The Quad Cities Regional Economic Development
22 Authority Act, certified December 30, 1987 is amended by
23 changing Section 9 as follows:

24 (70 ILCS 515/9) (from Ch. 85, par. 6509)

1 Sec. 9. Bonds and notes. (a) (1) The Authority may, with the
2 written approval of the Governor, at any time and from time to
3 time, issue bonds and notes for any corporate purpose,
4 including the establishment of reserves and the payment of
5 interest. In this Act the term "bonds" includes notes of any
6 kind, interim certificates, refunding bonds or any other
7 evidence of obligation.

8 (2) The bonds of any issue shall be payable solely from the
9 property or receipts of the Authority, including, without
10 limitation:

11 (I) fees, charges or other revenues payable to the
12 Authority;

13 (II) payments by financial institutions, insurance
14 companies, or others pursuant to letters or lines of credit,
15 policies of insurance, or purchase agreements;

16 (III) investment earnings from funds or accounts
17 maintained pursuant to a bond resolution or trust agreement;
18 and

19 (IV) proceeds of refunding bonds.

20 (3) Bonds shall be authorized by a resolution of the
21 Authority and may be secured by a trust agreement by and
22 between the Authority and a corporate trustee or trustees,
23 which may be any trust company or bank having the powers of a
24 trust company within or without the State. Bonds shall:

25 (I) be issued at, above or below par value, for cash or
26 other valuable consideration, and mature at time or times,

1 whether as serial bonds or as term bonds or both, not exceeding
2 40 years from their respective date of issue; however, the
3 length of the term of the bond should bear a reasonable
4 relationship to the value life of the item financed;

5 (II) bear interest at the fixed or variable rate or rates
6 determined by the method provided in the resolution or trust
7 agreement;

8 (III) be payable at a time or times, in the denominations
9 and form, either coupon or registered or both, and carry the
10 registration and privileges as to conversion and for the
11 replacement of mutilated, lost or destroyed bonds as the
12 resolution or trust agreement may provide;

13 (IV) be payable in lawful money of the United States at a
14 designated place;

15 (V) be subject to the terms of purchase, payment,
16 redemption, refunding or refinancing that the resolution or
17 trust agreement provides;

18 (VI) be executed by the manual or facsimile signatures of
19 the officers of the Authority designated by the Authority,
20 which signatures shall be valid at delivery even for one who
21 has ceased to hold office; and

22 (VII) be sold in the manner and upon the terms determined
23 by the Authority.

24 (b) Any resolution or trust agreement may contain
25 provisions which shall be a part of the contract with the
26 holders of the bonds as to:

1 (1) pledging, assigning or directing the use, investment or
2 disposition of receipts of the Authority or proceeds or
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4 any property or property rights;

5 (2) the setting aside of loan funding deposits, debt
6 service reserves, capitalized interest accounts, cost of
7 issuance accounts and sinking funds, and the regulations,
8 investment and disposition thereof;

9 (3) limitations on the purpose to which or the investments
10 in which the proceeds of sale of any issue of bonds may be
11 applied and restrictions to investment of revenues or bond
12 proceeds in government obligations for which principal and
13 interest are unconditionally guaranteed by the United States of
14 America;

15 (4) limitations on the issue of additional bonds, the terms
16 upon which additional bonds may be issued and secured, the
17 terms upon which additional bonds may rank on a parity with, or
18 be subordinate or superior to, other bonds;

19 (5) the refunding or refinancing of outstanding bonds;

20 (6) the procedure, if any, by which the terms of any
21 contract with bondholders may be altered or amended and the
22 amount of bonds and holders of which must consent thereto, and
23 the manner in which consent shall be given;

24 (7) defining the acts or omissions which shall constitute a
25 default in the duties of the Authority to holders of bonds and
26 providing the rights or remedies of such holders in the event

1 of a default which may include provisions restricting
2 individual right of action by bondholders;

3 (8) providing for guarantees, pledges of property, letters
4 of credit, or other security, or insurance for the benefit of
5 bondholders; and

6 (9) any other matter relating to the bonds which the
7 Authority determines appropriate.

8 (c) No member of the Authority nor any person executing the
9 bonds shall be liable personally on the bonds or subject to any
10 personal liability by reason of the issuance of the bonds.

11 (d) The Authority may enter into agreements with agents,
12 banks, insurers or others for the purpose of enhancing the
13 marketability of or as security for its bonds.

14 (e) (1) A pledge by the Authority of revenues as security
15 for an issue of bonds shall be valid and binding from the time
16 when the pledge is made.

17 (2) The revenues pledged shall immediately be subject to
18 the lien of the pledge without any physical delivery or further
19 act, and the lien of any pledge shall be valid and binding
20 against any person having any claim of any kind in tort,
21 contract or otherwise against the Authority, irrespective of
22 whether the person has notice.

23 (3) No resolution, trust agreement or financing statement,
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9 service, directly or through a debt restructuring, for
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23 a party, which provides for the delivery by the party of a
24 completed structure constructed pursuant to a fixed price
25 contract, and which provides for the delivery of such structure
26 at such fixed price to be insured or guaranteed by a third

1 party determined by the Authority to be capable of completing
2 construction of such a structure.

3 (Source: P.A. 85-988.)

4 (70 ILCS 510/9.1 rep.)

5 Section 15. The Quad Cities Regional Economic Development
6 Authority Act, approved September 22, 1987 is amended by
7 repealing Section 9.1.

8 (70 ILCS 515/9.1 rep.)

9 Section 20. The Quad Cities Regional Economic Development
10 Authority Act, certified December 30, 1987 is amended by
11 repealing Section 9.1."