



Rep. Barbara Flynn Currie

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LRB097 03902 PJG 58970 a

1 AMENDMENT TO HOUSE BILL 442

2 AMENDMENT NO. _____. Amend House Bill 442 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Finance Authority Act is amended
5 by changing Section 840-5 as follows:

6 (20 ILCS 3501/840-5)

7 Sec. 840-5. The Authority shall have the following powers:

8 (a) To fix and revise from time to time and charge and
9 collect rates, rents, fees and charges for the use of and for
10 the services furnished or to be furnished by a project or other
11 health facilities owned, financed or refinanced by the
12 Authority or any portion thereof and to contract with any
13 person, partnership, association or corporation or other body,
14 public or private, in respect thereto; to coordinate its
15 policies and procedures and cooperate with recognized health
16 facility rate setting mechanisms which may now or hereafter be

1 established.

2 (b) To establish rules and regulations for the use of a
3 project or other health facilities owned, financed or
4 refinanced by the Authority or any portion thereof and to
5 designate a participating health institution as its agent to
6 establish rules and regulations for the use of a project or
7 other health facilities owned by the Authority undertaken for
8 that participating health institution.

9 (c) To establish or contract with others to carry out on
10 its behalf a health facility project cost estimating service
11 and to make this service available on all projects to provide
12 expert cost estimates and guidance to the participating health
13 institution and to the Authority. In order to implement this
14 service and, through it, to contribute to cost containment, the
15 Authority shall have the power to require such reasonable
16 reports and documents from health facility projects as may be
17 required for this service and for the development of cost
18 reports and guidelines. The Authority may appoint a Technical
19 Committee on Health Facility Project Costs and Cost
20 Containment.

21 (d) To make mortgage or other secured or unsecured loans to
22 or for the benefit of any participating health institution for
23 the cost of a project in accordance with an agreement between
24 the Authority and the participating health institution;
25 provided that no such loan shall exceed the total cost of the
26 project as determined by the participating health institution

1 and approved by the Authority; provided further that such loans
2 may be made to any entity affiliated with a participating
3 health institution if the proceeds of such loan are made
4 available to or applied for the benefit of such participating
5 health institution.

6 (e) To make mortgage or other secured or unsecured loans to
7 or for the benefit of a participating health institution in
8 accordance with an agreement between the Authority and the
9 participating health institution to refund outstanding
10 obligations, loans, indebtedness or advances issued, made,
11 given or incurred by such participating health institution for
12 the cost of a project; including the function to issue bonds
13 and make loans to or for the benefit of a participating health
14 institution to refinance indebtedness incurred by such
15 participating health institution in projects undertaken and
16 completed or for other health facilities acquired prior to or
17 after the enactment of this Act when the Authority finds that
18 such refinancing is in the public interest, and either
19 alleviates a financial hardship of such participating health
20 institution, or is in connection with other financing by the
21 Authority for such participating health institution or may be
22 expected to result in a lessened cost of patient care and a
23 saving to third parties, including government, and to others
24 who must pay for care, or any combination thereof; provided
25 further that such loans may be made to any entity affiliated
26 with a participating health institution if the proceeds of such

1 loan are made available to or applied for the benefit of such
2 participating health institution.

3 (f) To mortgage all or any portion of a project or other
4 health facilities and the property on which any such project or
5 other health facilities are located whether owned or thereafter
6 acquired, and to assign or pledge mortgages, deeds of trust,
7 indentures of mortgage or trust or similar instruments, notes,
8 and other securities of participating health institutions to
9 which or for the benefit of which the Authority has made loans
10 or of entities affiliated with such institutions and the
11 revenues therefrom, including payments or income from any
12 thereof owned or held by the Authority, for the benefit of the
13 holders of bonds issued to finance such project or health
14 facilities or issued to refund or refinance outstanding
15 obligations, loans, indebtedness or advances of participating
16 health institutions as permitted by this Act.

17 (g) To lease to a participating health institution the
18 project being financed or refinanced or other health facilities
19 conveyed to the Authority in connection with such financing or
20 refinancing, upon such terms and conditions as the Authority
21 shall deem proper, and to charge and collect rents therefor and
22 to terminate any such lease upon the failure of the lessee to
23 comply with any of the obligations thereof; and to include in
24 any such lease, if desired, provisions that the lessee thereof
25 shall have options to renew the lease for such period or
26 periods and at such rent as shall be determined by the

1 Authority or to purchase any or all of the health facilities or
2 that upon payment of all of the indebtedness incurred by the
3 Authority for the financing of such project or health
4 facilities or for refunding outstanding obligations, loans,
5 indebtedness or advances of a participating health
6 institution, then the Authority may convey any or all of the
7 project or such other health facilities to the lessee or
8 lessees thereof with or without consideration.

9 (h) To make studies of needed health facilities that could
10 not sustain a loan were it made under this Act and to recommend
11 remedial action to the General Assembly; to do the same with
12 regard to any laws or regulations that prevent health
13 facilities from benefiting from this Act.

14 (i) To assist the Department of Commerce and Economic
15 Opportunity to establish and implement a program to assist
16 health facilities to identify and arrange financing for energy
17 conservation projects in buildings and facilities owned or
18 leased by health facilities.

19 (j) To assist the Department of Human Services in
20 establishing a low interest loan program to help child care
21 centers and family day care homes serving children of low
22 income families under Section 22.4 of the Children and Family
23 Services Act. The Authority, on or after the effective date of
24 this amendatory Act of the 97th General Assembly, is authorized
25 to convert existing agreements for financial aid in accordance
26 with Section 840-5(j) to permanent capital to leverage

1 additional private capital and establish a revolving loan fund
2 for nonprofit corporations providing human services under
3 contract to the State.

4 (k) To assist the Department of Public Health and nursing
5 homes in undertaking nursing home conversion projects in
6 accordance with the Older Adult Services Act.

7 (Source: P.A. 93-205, eff. 1-1-04; 93-1031, eff. 8-27-04.)

8 Section 99. Effective date. This Act takes effect upon
9 becoming law."