



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB5185

Introduced 2/8/2012, by Rep. Rita Mayfield

SYNOPSIS AS INTRODUCED:

20 ILCS 3501/825-80
20 ILCS 3501/825-81
20 ILCS 3501/825-85
20 ILCS 3501/825-87 new

Amends the Illinois Finance Authority Act. Provides that the Illinois Finance Authority and the State Fire Marshal may (rather than shall) jointly administer a fire truck revolving loan program and an ambulance revolving loan program. Provides that the Authority may use loans and guarantees authorized by the fire truck revolving loan program, the fire station revolving loan program, and the ambulance revolving loan program to maximize the number of participants in those programs and to maximize the efficient use of taxpayer appropriated funds. Provides that the Authority may determine the financial structure of loans or guarantees authorized by those programs. Provides that the Authority and the State Fire Marshall may access the funds associated with those programs and may charge and collect fees in connection with those programs. Effective immediately.

LRB097 19623 PJG 64877 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Finance Authority Act is amended by
5 changing Sections 825-80, 825-81, and 825-85 and by adding
6 Section 825-87 as follows:

7 (20 ILCS 3501/825-80)

8 Sec. 825-80. Fire truck revolving loan program.

9 (a) This Section is a continuation and re-enactment of the
10 fire truck revolving loan program enacted as Section 3-27 of
11 the Rural Bond Bank Act by Public Act 93-35, effective June 24,
12 2003, and repealed by Public Act 93-205, effective January 1,
13 2004. Under the Rural Bond Bank Act, the program was
14 administered by the Rural Bond Bank and the State Fire Marshal.

15 (b) The Authority and the State Fire Marshal may ~~shall~~
16 jointly administer a fire truck revolving loan program. The
17 program may ~~shall~~ provide zero-interest loans for the purchase
18 of fire trucks by a fire department, a fire protection
19 district, or a township fire department. The Authority shall
20 make loans based on need, as determined by the State Fire
21 Marshal.

22 (c) The loan funds, subject to appropriation, shall be paid
23 out of the Fire Truck Revolving Loan Fund, a special fund in

1 the State Treasury. The Fund shall consist of any moneys
2 transferred or appropriated into the Fund, as well as all
3 repayments of loans made under the program and any balance
4 existing in the Fund on the effective date of this Section. The
5 Fund shall be used for loans to fire departments and fire
6 protection districts to purchase fire trucks and for no other
7 purpose. All interest earned on moneys in the Fund shall be
8 deposited into the Fund.

9 (d) A loan for the purchase of fire trucks may not exceed
10 \$250,000 to any fire department or fire protection district.
11 The repayment period for the loan may not exceed 20 years. The
12 fire department or fire protection district shall repay each
13 year at least 5% of the principal amount borrowed or the
14 remaining balance of the loan, whichever is less. All
15 repayments of loans shall be deposited into the Fire Truck
16 Revolving Loan Fund.

17 (e) The Authority and the State Fire Marshal may ~~shall~~
18 adopt rules in accordance with the Illinois Administrative
19 Procedure Act to administer the program.

20 (f) Notwithstanding the repeal of Section 3-27 of the Rural
21 Bond Bank Act, all otherwise lawful actions taken on or after
22 January 1, 2004 and before the effective date of this Section
23 by any person under the authority originally granted by that
24 Section 3-27, including without limitation the granting,
25 acceptance, and repayment of loans for the purchase of fire
26 trucks, are hereby validated, and the rights and obligations of

1 all parties to any such loan are hereby acknowledged and
2 confirmed.

3 (Source: P.A. 94-221, eff. 7-14-05.)

4 (20 ILCS 3501/825-81)

5 Sec. 825-81. Fire station revolving loan program.

6 (a) The Authority and the State Fire Marshal may jointly
7 administer a fire station revolving loan program. The program
8 may provide zero-interest loans for the construction,
9 rehabilitation, remodeling, or expansion of a fire station or
10 the acquisition of land for the construction or expansion of a
11 fire station by a fire department, a fire protection district,
12 or a township fire department. Once the program receives
13 funding, the Authority shall make loans based on need, as
14 determined by the State Fire Marshal.

15 (b) The loan funds, subject to appropriation, may be paid
16 out of the Fire Station Revolving Loan Fund, a special fund in
17 the State treasury. The Fund may consist of any moneys
18 transferred or appropriated into the Fund, as well as all
19 repayments of loans made under the program. Once the program
20 receives funding, the Fund may be used for loans to fire
21 departments and fire protection districts to construct,
22 rehabilitate, remodel, or expand fire stations or acquire land
23 for the construction or expansion of fire stations and for no
24 other purpose. All interest earned on moneys in the Fund shall
25 be deposited into the Fund.

1 (c) A loan under the program may not exceed \$2,000,000 to
2 any fire department or fire protection district. The repayment
3 period for the loan may not exceed 25 years. The fire
4 department or fire protection district shall repay each year at
5 least 4% of the principal amount borrowed or the remaining
6 balance of the loan, whichever is less. All repayments of loans
7 shall be deposited into the Fire Station Revolving Loan Fund.

8 (d) The Authority and the State Fire Marshal may adopt
9 rules in accordance with the Illinois Administrative Procedure
10 Act to administer the program.

11 (Source: P.A. 96-135, eff. 8-7-09; 96-1172, eff. 7-22-10.)

12 (20 ILCS 3501/825-85)

13 Sec. 825-85. Ambulance revolving loan program.

14 (a) The Authority and the State Fire Marshal may ~~shall~~
15 jointly administer an ambulance revolving loan program. The
16 program may ~~shall~~ provide zero-interest loans for the purchase
17 of ambulances by a fire department, a fire protection district,
18 a township fire department, or a non-profit ambulance service.
19 The Authority shall make loans based on need, as determined by
20 the State Fire Marshal.

21 (b) The loan funds, subject to appropriation, shall be paid
22 out of the Ambulance Revolving Loan Fund, a special fund in the
23 State treasury. The Fund shall consist of any moneys
24 transferred or appropriated into the Fund, as well as all
25 repayments of loans made under the program. The Fund shall be

1 used for loans to fire departments, fire protection districts,
2 and non-profit ambulance services to purchase ambulances and
3 for no other purpose. All interest earned on moneys in the Fund
4 shall be deposited into the Fund.

5 (c) A loan for the purchase of ambulances may not exceed
6 \$100,000 to any fire department, fire protection district, or
7 non-profit ambulance service. The repayment period for the loan
8 may not exceed 10 years. The fire department, fire protection
9 district, or non-profit ambulance service` shall repay each
10 year at least 5% of the principal amount borrowed or the
11 remaining balance of the loan, whichever is less. All
12 repayments of loans shall be deposited into the Ambulance
13 Revolving Loan Fund.

14 (d) The Authority and the State Fire Marshal may ~~shall~~
15 adopt rules in accordance with the Illinois Administrative
16 Procedure Act to administer the program.

17 (Source: P.A. 94-829, eff. 6-5-06.)

18 (20 ILCS 3501/825-87 new)

19 Sec. 825-87. Public life safety capital investment finance
20 program.

21 (a) In addition to the powers set forth in Sections 825-80,
22 825-81, and 825-85 of this Act and in furtherance of the
23 purposes and programs set forth in those Sections, the
24 Authority may use loans and guarantees as authorized in this
25 Act to maximize the number of participants in the programs and

1 to maximize the efficient use of taxpayer appropriated funds.

2 (b) Subject to appropriation, loans or guarantees
3 authorized by the programs under Sections 825-80, 825-81, and
4 825-85 of this Act may finance: (i) the purchase of fire
5 trucks, ambulances, brush trucks, or other depreciable capital
6 equipment or vehicles that will assist a unit of local
7 government, as defined in Section 820-10 of this Act, in
8 furtherance of the unit of local government's essential public
9 life safety purpose as determined by the State Fire Marshal;
10 (ii) the purchase, construction, rehabilitation, remodeling,
11 or expansion of fire stations or other structures that will
12 assist a unit of local government, as defined in Section 820-10
13 of this Act, in furtherance of the unit of local government's
14 public life safety purpose as determined by the State Fire
15 Marshal; or (iii) the purchase or acquisition of land for the
16 construction or expansion of a fire station or other structure
17 that will assist a unit of local government, as defined in
18 Section 820-10 of this Act, in furtherance of the unit of local
19 government's public life safety purpose as determined by the
20 State Fire Marshal.

21 (c) The Authority may determine the financial structure,
22 including but not limited to the terms, conditions, collateral,
23 maturity, and interest rate, of loans or guarantees authorized
24 by the programs under Sections 825-80, 825-81, and 825-85 of
25 this Act.

26 (d) The Authority and the State Fire Marshall may access

1 the funds referenced in Sections 825-80, 825-81, and 825-85 of
2 this Act and may fix, determine, charge, and collect fees, in
3 connection with the programs under Sections 825-80, 825-81, and
4 825-85 of this Act and in furtherance of the purposes set forth
5 in this Section.

6 (e) The Authority and the State Fire Marshal may adopt
7 rules in accordance with the Illinois Administrative Procedure
8 Act to administer the programs under this Section.

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