



Sen. Mattie Hunter

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1 AMENDMENT TO SENATE BILL 2491

2 AMENDMENT NO. _____. Amend Senate Bill 2491 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Department of Transportation Law of the
5 Civil Administrative Code of Illinois is amended by adding
6 Section 2705-605 as follows:

7 (20 ILCS 2705/2705-605 new)

8 Sec. 2705-605. Disadvantaged business revolving loan
9 program.

10 (a) For the purposes of this Section:

11 "Contractor" means one who participates, through a
12 contract or subcontract at any tier, in a United States
13 Department of Transportation-assisted highway, transit, or
14 airport program.

15 "Fund Control Agency" means an entity who establishes
16 agreements with well-established financial institutions to

1 act as an escrow Agent in conjunction with its Funds
2 Control service.

3 (b) The Department has the power to enter into agreements
4 to make low-interest loans to minority-owned businesses,
5 female-owned businesses, and disadvantaged business
6 enterprises certified by the Department for participation on
7 Department-procured construction and construction-related
8 contracts. For purposes of this Section, the terms
9 "minority-owned business" and "female-owned business" have the
10 meanings ascribed to them by Section 2 of the Business
11 Enterprise for Minorities, Females, and Persons with
12 Disabilities Act. For purposes of this Section, the term
13 "disadvantaged business enterprise" has the meaning ascribed
14 to it by 49 CFR part 26.

15 (c) Grant and loan funds shall be expended, subject to
16 appropriation, from the Working Capital Loan Repayment Fund
17 established as a special fund in the State Treasury. Loaned
18 funds that are repaid to the Department shall be deposited into
19 the fund from which expended. Other appropriations, grants,
20 awards, and donations to the Department for the purpose of the
21 revolving loan program established by this Section shall be
22 deposited into the Working Capital Loan Repayment Fund.

23 (d) A funds control process will be established to serve as
24 an intermediary between the Department and the contractor to
25 verify payments and to ensure paperwork is properly filed. The
26 Fund Control Agency and contractor shall enter into an

1 agreement regarding the control and disbursement of all
2 payments to be made by the Department under the contract. The
3 Department will authorize and direct the Fund Control Agency to
4 review all disbursement requests and supporting documents
5 received from the contractor and direct the funds control
6 agency to disburse escrow funds to the contractor,
7 subcontractor, material supplier, etc. by written request for
8 such disbursement.

9 (e) Loan assistance funds shall be allowed for current
10 liabilities or working capital expenses associated with
11 participation in the performance of contracts procured by the
12 Department for transportation construction and
13 construction-related purposes. Contracts providing for
14 mobilization payments to a certified business are not eligible
15 for loan assistance. Loan funds shall not be used for (1)
16 refinancing or payment of existing long-term debt; (2) payment
17 of non-current taxes; (3) payments, advances, or loans to
18 stockholders, officers, directors, partners, or member owners
19 of limited liability companies; or (4) the purchase or lease of
20 non-construction motor vehicles or equipment. The loan
21 agreement shall provide for the terms and conditions of
22 repayment which shall not extend repayment longer than one year
23 after completion and acceptance of the work authorized for loan
24 assistance under the program. The funds may be loaned with or
25 without interest.

26 (f) The Department shall establish the requirements for

1 eligibility and criteria for loan applications, approved use of
2 funds, amount of loans, interest rates, collateral, and terms.
3 The Department is authorized to adopt rules to implement this
4 Section.

5 (g) Nothing in this Section is intended nor shall be
6 construed to vest applicants denied funds by the Department in
7 accordance with this Section a right to challenge, protest, or
8 contest the awarding of funds by the Department to successful
9 applicants or any loan or agreement executed in connection
10 therewith.

11 Section 10. The State Finance Act is amended by adding
12 Sections 5.811 and 8r as follows:

13 (30 ILCS 105/5.811 new)

14 Sec. 5.811. The Working Capital Loan Repayment Fund.

15 (30 ILCS 105/8r new)

16 Sec. 8r. Transfer to the Working Capital Loan Repayment
17 Fund. Upon the written request of the Secretary of
18 Transportation, the State Comptroller shall order and the State
19 Treasurer shall transfer amounts not to exceed \$3,000,000 in
20 aggregate during a fiscal year, for a period of 10 years, from
21 the Road Fund to the Working Capital Loan Repayment Fund at
22 such times as requested by the Secretary of Transportation or
23 as soon thereafter as may be practical."