

AN ACT concerning local government.

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

Section 5. The Southeastern Illinois Economic Development Authority Act is amended by changing Sections 20, 25, and 35 as follows:

(70 ILCS 518/20)

Sec. 20. Creation.

(a) There is created a political subdivision, body politic, and municipal corporation named the Southeastern Illinois Economic Development Authority. The territorial jurisdiction of the Authority is that geographic area within the boundaries of the following counties: Fayette, Cumberland, Clark, Effingham, Jasper, Crawford, Marion, Clay, Richland, Lawrence, Jefferson, Wayne, Edwards, Wabash, Hamilton, and White; Irvington Township in Washington County; and any navigable waters and air space located therein.

(b) The governing and administrative powers of the Authority shall be vested in a body consisting of 27 ~~10~~ members as follows:

(1) Public members. Nine members shall be appointed by the Governor with the advice and consent of the Senate. The county board chairmen of the following counties shall each

appoint one member: Clark, Clay, Crawford, Cumberland, Edwards, Effingham, Fayette, Hamilton, Jasper, Jefferson, Lawrence, Marion, Richland, Wabash, Washington, Wayne, and White.

(2) One member shall be appointed by the Director of Commerce and Economic Opportunity.

All public members shall reside within the territorial jurisdiction of the Authority. The public members shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, state or local government, commercial agriculture, small business management, real estate development, community development, venture finance, organized labor, or civic or community organization.

(c) Fourteen ~~Six~~ members shall constitute a quorum.

(d) The chairman of the Authority shall be elected annually by the Board.

(e) The terms of the ~~all~~ initial members of the Authority shall begin 30 days after the effective date of this Act. Of the 10 original members appointed by the Governor and the Director of Commerce and Economic Opportunity pursuant to subsection (b), one shall serve until the third Monday in January, 2005; one shall serve until the third Monday in January, 2006; 2 shall serve until the third Monday in January, 2007; 2 shall serve until the third Monday in January, 2008; 2 shall serve until the third Monday in January, 2009; and 2

shall serve until the third Monday in January, 2010. The terms of the initial public members of the Authority appointed by the county board chairmen shall begin 30 days after the effective date of this amendatory Act of the 97th General Assembly. The terms of the initial public members appointed by the county board chairmen shall be determined by lot, according to the following schedule: (i) 4 shall serve until the third Monday in January, 2013, (ii) 4 shall serve until the third Monday in January, 2014, (iii) 3 shall serve until the third Monday in January, 2015, (iv) 3 shall serve until the third Monday in January, 2016, and (v) 3 shall serve until the third Monday in January, 2017. All successors to these initial members shall be appointed by the original appointing authority ~~All successors to these original public members shall be appointed by the Governor with the advice and consent of the Senate, or by the Director of Commerce and Economic Opportunity, as the case may be,~~ pursuant to subsection (b), and shall hold office for a term of 3 years commencing the third Monday in January of the year in which their term commences, except in the case of an appointment to fill a vacancy. Vacancies occurring among the ~~public~~ members shall be filled for the remainder of the term. In case of a vacancy in a Governor-appointed membership when the Senate is not in session, the Governor may make a temporary appointment until the next meeting of the Senate when a person shall be nominated to fill the office and, upon confirmation by the Senate, he or she shall hold office during the remainder of

the term and until a successor is appointed and qualified. Members of the Authority are not entitled to compensation for their services as members but are entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members. Members of the Board may participate in Board meetings by teleconference or video conference.

(f) The Governor may remove any public member of the Authority appointed by the Governor, and the Director of Commerce and Economic Opportunity may remove any ~~public~~ member appointed by the Director, in case of incompetence, neglect of duty, or malfeasance in office. The chairman of a county board, with the approval of a majority vote of the county board, may remove any public member appointed by that chairman in the case of incompetence, neglect of duty, or malfeasance in office.

(g) The Board shall appoint an Executive Director who shall have a background in finance, including familiarity with the legal and procedural requirements of issuing bonds, real estate, or economic development and administration. The Executive Director shall hold office at the discretion of the Board. The Executive Director shall be the chief administrative and operational officer of the Authority, shall direct and supervise its administrative affairs and general management, perform such other duties as may be prescribed from time to time by the members, and receive compensation fixed by the Authority. The Executive Director shall attend all meetings of

the Authority. However, no action of the Authority shall be invalid on account of the absence of the Executive Director from a meeting. The Authority may engage the services of the Illinois Finance Authority, attorneys, appraisers, engineers, accountants, credit analysts, and other consultants, if the Southeastern Illinois Economic Development Authority deems it advisable.

(Source: P.A. 93-968, eff. 8-20-04; 94-613, eff. 8-18-05.)

(70 ILCS 518/25)

Sec. 25. Duty. All official acts of the Authority shall require the approval of at least 14 ~~6~~ members. It shall be the duty of the Authority to promote development within the territorial jurisdiction of the Authority. The Authority shall use the powers conferred upon it to assist in the development, construction, and acquisition of industrial, commercial, housing, or residential projects within its territorial jurisdiction.

(Source: P.A. 93-968, eff. 8-20-04; 94-613, eff. 8-18-05.)

(70 ILCS 518/35)

Sec. 35. Bonds.

(a) The Authority, with the written approval of the Governor, shall have the continuing power to issue bonds, notes, or other evidences of indebtedness in an aggregate amount not to exceed \$250,000,000 for the following purposes:

(i) development, construction, acquisition, or improvement of projects, including those established by business entities locating or expanding property within the territorial jurisdiction of the Authority; (ii) entering into venture capital agreements with businesses locating or expanding within the territorial jurisdiction of the Authority; (iii) acquisition and improvement of any property necessary and useful in connection therewith; and (iv) for the purposes of the Employee Ownership Assistance Act. For the purpose of evidencing the obligations of the Authority to repay any money borrowed, the Authority may, pursuant to resolution, from time to time, issue and dispose of its interest-bearing revenue bonds, notes, or other evidences of indebtedness and may also from time to time issue and dispose of such bonds, notes, or other evidences of indebtedness to refund, at maturity, at a redemption date or in advance of either, any bonds, notes, or other evidences of indebtedness pursuant to redemption provisions or at any time before maturity. All such bonds, notes, or other evidences of indebtedness shall be payable solely and only from the revenues or income to be derived from loans made with respect to projects, from the leasing or sale of the projects, or from any other funds available to the Authority for such purposes. The bonds, notes, or other evidences of indebtedness may bear such date or dates, may mature at such time or times not exceeding 40 years from their respective dates, may bear interest at such rate or rates not

exceeding the maximum rate permitted by the Bond Authorization Act, may be in such form, may carry such registration privileges, may be executed in such manner, may be payable at such place or places, may be made subject to redemption in such manner and upon such terms, with or without premium, as is stated on the face thereof, may be authenticated in such manner and may contain such terms and covenants as may be provided by an applicable resolution.

(b) The holder or holders of any bonds, notes, or other evidences of indebtedness issued by the Authority may bring suits at law or proceedings in equity to compel the performance and observance by any corporation or person or by the Authority or any of its agents or employees of any contract or covenant made with the holders of the bonds, notes, or other evidences of indebtedness, to compel such corporation, person, the Authority, and any of its agents or employees to perform any duties required to be performed for the benefit of the holders of the bonds, notes, or other evidences of indebtedness by the provision of the resolution authorizing their issuance and to enjoin the corporation, person, the Authority, and any of its agents or employees from taking any action in conflict with any contract or covenant.

(c) If the Authority fails to pay the principal of or interest on any of the bonds or premium, if any, as the bond becomes due, a civil action to compel payment may be instituted in the appropriate circuit court by the holder or holders of

the bonds on which the default of payment exists or by an indenture trustee acting on behalf of the holders. Delivery of a summons and a copy of the complaint to the chairman of the Board shall constitute sufficient service to give the circuit court jurisdiction over the subject matter of the suit and jurisdiction over the Authority and its officers named as defendants for the purpose of compelling such payment. Any case, controversy, or cause of action concerning the validity of this Act relates to the revenue of the State of Illinois.

(d) Notwithstanding the form and tenor of any bond, note, or other evidence of indebtedness and in the absence of any express recital on its face that it is non-negotiable, all such bonds, notes, and other evidences of indebtedness shall be negotiable instruments. Pending the preparation and execution of any bonds, notes, or other evidences of indebtedness, temporary bonds, notes, or evidences of indebtedness may be issued as provided by ordinance.

(e) To secure the payment of any or all of such bonds, notes, or other evidences of indebtedness, the revenues to be received by the Authority from a lease agreement or loan agreement shall be pledged, and, for the purpose of setting forth the covenants and undertakings of the Authority in connection with the issuance of the bonds, notes, or other evidences of indebtedness and the issuance of any additional bonds, notes or other evidences of indebtedness payable from such revenues, income, or other funds to be derived from

projects, the Authority may execute and deliver a mortgage or trust agreement. A remedy for any breach or default of the terms of any mortgage or trust agreement by the Authority may be by mandamus proceeding in the appropriate circuit court to compel performance and compliance under the terms of the mortgage or trust agreement, but the trust agreement may prescribe by whom or on whose behalf the action may be instituted.

(f) Bonds or notes shall be secured as provided in the authorizing ordinance which may include, notwithstanding any other provision of this Act, in addition to any other security, a specific pledge, assignment of and lien on, or security interest in any or all revenues or money of the Authority, from whatever source, which may, by law, be used for debt service purposes and a specific pledge, or assignment of and lien on, or security interest in any funds or accounts established or provided for by ordinance of the Authority authorizing the issuance of the bonds or notes.

(g) In the event that the Authority determines that moneys of the Authority will not be sufficient for the payment of the principal of and interest on its bonds during the next State fiscal year, the chairman, as soon as practicable, shall certify to the Governor the amount required by the Authority to enable it to pay the principal of and interest on the bonds. The Governor shall submit the certified amount to the General Assembly as soon as practicable, but no later than the end of

the current State fiscal year. This Section shall not apply to any bonds or notes to which the Authority determines, in the resolution authorizing the issuance of the bonds or notes, that this Section shall not apply. Whenever the Authority makes this determination, it shall be plainly stated on the face of the bonds or notes and the determination shall also be reported to the Governor. In the event of a withdrawal of moneys from a reserve fund established with respect to any issue or issues of bonds of the Authority to pay principal or interest on those bonds, the chairman of the Authority, as soon as practicable, shall certify to the Governor the amount required to restore the reserve fund to the level required in the resolution or indenture securing those bonds. The Governor shall submit the certified amount to the General Assembly as soon as practicable, but no later than the end of the current State fiscal year. This subsection (g) shall not apply to any bond issued on or after the effective date of this amendatory Act of the 97th General Assembly.

(h) The State of Illinois pledges to and agrees with the holders of the bonds and notes of the Authority issued pursuant to this Section that the State will not limit or alter the rights and powers vested in the Authority by this Act so as to impair the terms of any contract made by the Authority with the holders of bonds or notes or in any way impair the rights and remedies of those holders until the bonds and notes, together with interest thereon, with interest on any unpaid installments

of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of the holders, are fully met and discharged. In addition, the State pledges to and agrees with the holders of the bonds and notes of the Authority issued pursuant to this Section that the State will not limit or alter the basis on which State funds are to be paid to the Authority as provided in this Act, or the use of such funds, so as to impair the terms of any such contract. The Authority is authorized to include these pledges and agreements of the State in any contract with the holders of bonds or notes issued pursuant to this Section.

(Source: P.A. 93-968, eff. 8-20-04.)

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