

## 2011 DRAFTING REQUEST

### Bill

Received: 12/27/2010

Received By: csundber

Wanted: As time permits

Companion to LRB:

For: Administration-Budget

By/Representing: Skwarczek

May Contact:

Drafter: mgallagh

Subject: Econ. Development - misc.

Addl. Drafters:

Extra Copies:

Submit via email: YES

Requester's email:

Carbon copy (CC:) to: christopher.sundberg@legis.wisconsin.gov  
michael.gallagher@legis.wisconsin.gov

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### Pre Topic:

DOA:.....Skwarczek, BB0143 -

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### Topic:

Authorize WHEFA out of state projects

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### Instructions:

See attached

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### Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	csundber 12/28/2010	kfollett 01/13/2011		_____			
	mgallagh 01/13/2011	kfollett 01/20/2011		_____			
	mgallagh 01/20/2011			_____			
/P1	mgallagh 02/10/2011	kfollett 02/10/2011	rschluet 01/20/2011	_____	lparisi 01/20/2011		

Vers.      Drafted      Reviewed      Typed      Proofed      Submitted      Jacketed      Required

/P2

rschluet \_\_\_\_\_  
02/11/2011 \_\_\_\_\_

mbarman \_\_\_\_\_  
02/11/2011 \_\_\_\_\_

FE Sent For:

<END>

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	mgallagh 01/20/2011	1P2kf 2/10		_____			
/P1			rschluet 01/20/2011	_____	lparisi 01/20/2011		

*g*  
2/10

FE Sent For:

**<END>**

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/?	csundber 12/28/2010 mgallagh	PTKgf 1/20	<del>RS</del> RS	<del>ADH</del> ADH			

FE Sent For:

1/20  
<END>

**Sundberg, Christopher**

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**From:** Hanaman, Cathlene  
**Sent:** Monday, December 13, 2010 9:55 AM  
**To:** Sundberg, Christopher  
**Subject:** FW: Statutory Language Drafting Request  
You?

---

**From:** DOADLBASADMININTERNETSHAREPOINT@WI.GOV  
[mailto:DOADLBASADMININTERNETSHAREPOINT@WI.GOV]  
**Sent:** Monday, December 13, 2010 9:27 AM  
**To:** Hanaman, Cathlene  
**Cc:** Shayna.Hetzel@wisconsin.gov; Thornton, Scott - DOA; Gauger, Michelle C - DOA  
**Subject:** Statutory Language Drafting Request

Topic: WHEFA out of state projects

Tracking Code: BB0143

SBO Team: HSI

SBO Analyst: Skwarczek, Marta A - DOA  
Phone: (608) 267-7980  
E-mail: Marta.Skwarczek@Wisconsin.gov

Agency Acronym: WHEFA

Agency Number: 440

Priority: Medium

Intent:

Authorize WHEFA to finance projects located outside the state, provided that such projects must be owned, operated, leased, or managed by an eligible borrower located within the state or a borrower affiliated with a borrower located within the state.

Attachments: False

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

1-18-2011 conf. call w/ Larry Niles @ U-19EFA  
and write s. @ SAA.

- state boundaries not relevant to borders
- use multi-state issues.  
↳ inefficient, etc.
- sister states go outside the state,  
provide cross-border authorization.
- want to be able to finance, set-up  
out of state.
- want to be able to do w/ out-of-state  
affiliates create can now do w/  
participating institutions in-state.
- Mayo operations example.

**Gallagher, Michael**

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**From:** Skwarczek, Marta A - DOA [Marta.Skwarczek@Wisconsin.gov]  
**Sent:** Monday, January 10, 2011 10:27 AM  
**To:** Gallagher, Michael  
**Subject:** RE: BB0143

Michael,

Your question is a bit over my head. The drafting request from WHEFA indicated that WHEFA wants the same authority that was given to a commission created by two or more political subdivisions under 2009 Wisconsin Act 205. This act created s. 66.0304(5)(d), which states that if such a commission issues bonds, the proceeds of a bond issued may be used for a project in this state or any other.

Does this help at all?

Thanks.

**Marta Skwarczek**  
Health Services and Insurance Team  
Executive Policy and Budget Analyst  
608-267-7980

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**From:** Gallagher, Michael [mailto:Michael.Gallagher@legis.wisconsin.gov]  
**Sent:** Monday, January 10, 2011 10:09 AM  
**To:** Skwarczek, Marta A - DOA  
**Subject:** RE: BB0143

Marta,

The draft should go out by the end of this week. If that changes, I will let you know. Is that suitable, or do you need it sooner than that?

Also, do you have an answer to the question I e-mailed on Friday? See e-mail attached.

Thanks.

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**From:** Skwarczek, Marta A - DOA [mailto:Marta.Skwarczek@Wisconsin.gov]  
**Sent:** Monday, January 10, 2011 9:09 AM  
**To:** Gallagher, Michael  
**Subject:** BB0143

Michael,

I have not yet received a draft for BB0143, WHEFA out of state projects. Do you know when this draft might be available? Number 1 in the attached document provides more information regarding the drafting request.

Thanks.

**Marta Skwarczek**  
Wisconsin Department of Administration  
Division of Executive Budget and Finance  
Health Services and Insurance Team  
Executive Policy and Budget Analyst  
608-267-7980

Marta,

Thank you for speaking with me today and for reviewing our request for two changes to Chap. 231 regarding the activities of WHEFA.

1. As health care reform is implemented and as the delivery of health care models develop we see more and more instances of organizations that cross state boundaries. In order to provide the needed capital to such multi-state operations with operations in Wisconsin, WHEFA needs to be able to issue bonds for projects for Wisconsin related entities which have operations in other states. Providing the most efficient borrowing options for our health and education systems as a whole will benefit the Wisconsin portion of those providers.

Already several states including Illinois, Indiana, Missouri, Colorado, and Arizona allow their state issuing authorities for health and education to provide this service. A newly Wisconsin created Public Finance Authority last spring was also given this power and their instance there is not a requirement for any ties to Wisconsin operations to finance projects outside the state.

2. WHEFA bonds are exempt from federal tax only. WHEFA borrowers however, in many instances, have access to other local conduit issuers (local housing authorities or local economic redevelopment authorities) who also can issue for health and education borrowers, but who offer a state tax exemption as well. In those instances where another, existing issuer is available that offers a state exemption WHEFA bonds issued for the same purposes should also be exempt from state tax. Since the exemption is available already the fiscal impact on the state is \$0. This "level playing field" was also given to the Public Finance Authority created this spring and the fiscal note was zero.

Taken together, no projects outside the state would have a state tax exemption. Only projects in state with another state exempt issuer available would be state tax exempt.

These measures will allow WHEFA to continue providing its expertise and assistance to all eligible borrowers and will maintain access to capital in especially difficult economic times insuring that our health and education sectors can grow and provide the services needed to our citizens. These lending features were given this spring to a brand new conduit issuer and should be replicated in the programs of our state's conduit issuer for health and education borrowers.

If you need more information to proceed let me know. Thank you.

Larry Nines  
Executive Director  
Wisconsin Health & Educational Facilities Authority  
18000 W. Sarah Lane, Suite 300  
Brookfield, WI 53045-5841  
(262) 792-0466 phone  
(262) 792-0469 fax  
[www.whefa.com](http://www.whefa.com)

HB5854 Enrolled

LRB096 18333 RCE 33710 b

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 801-5 and 801-10 and by adding Section 801-55  
6 as follows:

7 (20 ILCS 3501/801-5)

8 Sec. 801-5. Findings and declaration of policy. The General  
9 Assembly hereby finds, determines and declares:

10 (a) that there are a number of existing State authorities  
11 authorized to issue bonds to alleviate the conditions and  
12 promote the objectives set forth below; and to provide a  
13 stronger, better coordinated development effort, it is  
14 determined to be in the interest of promoting the health,  
15 safety, morals and general welfare of all the people of the  
16 State to consolidate certain of such existing authorities into  
17 one finance authority;

18 (b) that involuntary unemployment affects the health,  
19 safety, morals and general welfare of the people of the State  
20 of Illinois;

21 (c) that the economic burdens resulting from involuntary  
22 unemployment fall in part upon the State in the form of public  
23 assistance and reduced tax revenues, and in the event the

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1 unemployed worker and his family migrate elsewhere to find  
2 work, may also fall upon the municipalities and other taxing  
3 districts within the areas of unemployment in the form of  
4 reduced tax revenues, thereby endangering their financial

5 ability to support necessary governmental services for their  
6 remaining inhabitants;

7 (d) that a vigorous growing economy is the basic source of  
8 job opportunities;

9 (e) that protection against involuntary unemployment, its  
10 economic burdens and the spread of economic stagnation can best  
11 be provided by promoting, attracting, stimulating and  
12 revitalizing industry, manufacturing and commerce in the  
13 State;

14 (f) that the State has a responsibility to help create a  
15 favorable climate for new and improved job opportunities for  
16 its citizens by encouraging the development of commercial  
17 businesses and industrial and manufacturing plants within the  
18 State;

19 (g) that increased availability of funds for construction  
20 of new facilities and the expansion and improvement of existing  
21 facilities for industrial, commercial and manufacturing  
22 facilities will provide for new and continued employment in the  
23 construction industry and alleviate the burden of  
24 unemployment;

25 (h) that in the absence of direct governmental subsidies  
26 the unaided operations of private enterprise do not provide

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1 sufficient resources for residential construction,  
2 rehabilitation, rental or purchase, and that support from  
3 housing related commercial facilities is one means of  
4 stimulating residential construction, rehabilitation, rental  
5 and purchase;

6 (i) that it is in the public interest and the policy of  
7 this State to foster and promote by all reasonable means the  
8 provision of adequate capital markets and facilities for  
9 borrowing money by units of local government, and for the  
10 financing of their respective public improvements and other  
11 governmental purposes within the State from proceeds of bonds  
12 or notes issued by those governmental units; and to assist  
13

14 local governmental units in fulfilling their needs for those  
15 purposes by use of creation of indebtedness;  
16 (j) that it is in the public interest and the policy of  
17 this State to the extent possible, to reduce the costs of  
18 indebtedness to taxpayers and residents of this State and to  
19 encourage continued investor interest in the purchase of bonds  
20 or notes of governmental units as sound and preferred  
21 securities for investment; and to encourage governmental units  
22 to continue their independent undertakings of public  
23 improvements and other governmental purposes and the financing  
24 thereof, and to assist them in those activities by making funds  
25 available at reduced interest costs for orderly financing of  
26 those purposes, especially during periods of restricted credit  
or money supply, and particularly for those governmental units

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1 not otherwise able to borrow for those purposes;  
2 (k) that in this State the following conditions exist: (i)  
3 an inadequate supply of funds at interest rates sufficiently  
4 low to enable persons engaged in agriculture in this State to  
5 pursue agricultural operations at present levels; (ii) that  
6 such inability to pursue agricultural operations lessens the  
7 supply of agricultural commodities available to fulfill the  
8 needs of the citizens of this State; (iii) that such inability  
9 to continue operations decreases available employment in the  
10 agricultural sector of the State and results in unemployment  
11 and its attendant problems; (iv) that such conditions prevent  
12 the acquisition of an adequate capital stock of farm equipment  
13 and machinery, much of which is manufactured in this State,  
14 therefore impairing the productivity of agricultural land and,  
15 further, causing unemployment or lack of appropriate increase  
16 in employment in such manufacturing; (v) that such conditions  
17 are conducive to consolidation of acreage of agricultural land  
18 with fewer individuals living and farming on the traditional  
19 family farm; (vi) that these conditions result in a loss in  
20 population, unemployment and movement of persons from rural to  
21

urban areas accompanied by added costs to communities for  
22 creation of new public facilities and services; (vii) that  
23 there have been recurrent shortages of funds for agricultural  
24 purposes from private market sources at reasonable rates of  
25 interest; (viii) that these shortages have made the sale and  
26 purchase of agricultural land to family farmers a virtual

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1 impossibility in many parts of the State; (ix) that the  
2 ordinary operations of private enterprise have not in the past  
3 corrected these conditions; and (x) that a stable supply of  
4 adequate funds for agricultural financing is required to  
5 encourage family farmers in an orderly and sustained manner and  
6 to reduce the problems described above;

7 (l) that for the benefit of the people of the State of  
8 Illinois, the conduct and increase of their commerce, the  
9 protection and enhancement of their welfare, the development of  
10 continued prosperity and the improvement of their health and  
11 living conditions it is essential that all the people of the  
12 State be given the fullest opportunity to learn and to develop  
13 their intellectual and mental capacities and skills; that to  
14 achieve these ends it is of the utmost importance that private  
15 institutions of higher education within the State be provided  
16 with appropriate additional means to assist the people of the  
17 State in achieving the required levels of learning and  
18 development of their intellectual and mental capacities and  
19 skills and that cultural institutions within the State be  
20 provided with appropriate additional means to expand the  
21 services and resources which they offer for the cultural,  
22 intellectual, scientific, educational and artistic enrichment  
23 of the people of the State;

24 (m) that in order to foster civic and neighborhood pride,  
25 citizens require access to facilities such as educational  
26 institutions, recreation, parks and open spaces, entertainment

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1 and sports, a reliable transportation network, cultural  
2 facilities and theaters and other facilities as authorized by  
3 this Act, and that it is in the best interests of the State to  
4 lower the costs of all such facilities by providing financing  
5 through the State; and  
6 (n) that to preserve and protect the health of the citizens  
7 of the State, and lower the costs of health care, that  
8 financing for health facilities should be provided through the  
9 State; and it is hereby declared to be the policy of the State,  
10 in the interest of promoting the health, safety, morals and  
11 general welfare of all the people of the State, to address the  
12 conditions noted above, to increase job opportunities and to  
13 retain existing jobs in the State, by making available through  
14 the Illinois Finance Authority, hereinafter created, funds for  
15 the development, improvement and creation of industrial,  
16 housing, local government, educational, health, public purpose  
17 and other projects; to issue its bonds and notes to make funds  
18 at reduced rates and on more favorable terms for borrowing by  
19 local governmental units through the purchase of the bonds or  
20 notes of the governmental units; and to make or acquire loans  
21 for the acquisition and development of agricultural  
22 facilities; to provide financing for private institutions of  
23 higher education, cultural institutions, health facilities and  
24 other facilities and projects as authorized by this Act; and to  
25 grant broad powers to the Illinois Finance Authority to  
26 accomplish and to carry out these policies of the State which

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1 are in the public interest of the State and of its taxpayers  
2 and residents; and -  
3 (o) that providing financing alternatives for projects  
4 that are located outside the State that are owned, operated,  
5 leased, managed by, or otherwise affiliated with, institutions  
6 located within the State would promote the economy of the State

7 for the benefit of the health, welfare, safety, trade,  
8 commerce, industry, and economy of the people of the State by  
9 creating employment opportunities in the State and lowering the  
10 cost of accessing healthcare, private education, or cultural  
11 institutions in the State by reducing the cost of financing or  
12 operating those projects.

13 (Source: P.A. 93-205, eff. 1-1-04.)

14 (20 ILCS 3501/801-10)

15 (Text of Section before amendment by P.A. 96-339)

16 Sec. 801-10. Definitions. The following terms, whenever  
17 used or referred to in this Act, shall have the following  
18 meanings, except in such instances where the context may  
19 clearly indicate otherwise:

20 (a) The term "Authority" means the Illinois Finance  
21 Authority created by this Act.

22 (b) The term "project" means an industrial project,  
23 conservation project, housing project, public purpose project,  
24 higher education project, health facility project, cultural  
25 institution project, agricultural facility or agribusiness,

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1 and "project" may include any combination of one or more of the  
2 foregoing undertaken jointly by any person with one or more  
3 other persons.

4 (c) The term "public purpose project" means any project or  
5 facility including without limitation land, buildings,  
6 structures, machinery, equipment and all other real and  
7 personal property, which is authorized or required by law to be  
8 acquired, constructed, improved, rehabilitated, reconstructed,  
9 replaced or maintained by any unit of government or any other  
10 lawful public purpose which is authorized or required by law to  
11 be undertaken by any unit of government.

12 (d) The term "industrial project" means the acquisition,  
13 construction, refurbishment, creation, development or  
14 redevelopment of any facility, equipment, machinery, real  
15 property or personal property for use by any instrumentality of

16 the State or its political subdivisions, for use by any person  
17 or institution, public or private, for profit or not for  
18 profit, or for use in any trade or business including, but not  
19 limited to, any industrial, manufacturing or commercial  
20 enterprise and which is (1) a capital project including but not  
21 limited to: (i) land and any rights therein, one or more  
22 buildings, structures or other improvements, machinery and  
23 equipment, whether now existing or hereafter acquired, and  
24 whether or not located on the same site or sites; (ii) all  
25 appurtenances and facilities incidental to the foregoing,  
26 including, but not limited to utilities, access roads, railroad

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1 sidings, track, docking and similar facilities, parking  
2 facilities, dockage, wharfage, railroad roadbed, track,  
3 trestle, depot, terminal, switching and signaling or related  
4 equipment, site preparation and landscaping; and (iii) all  
5 non-capital costs and expenses relating thereto or (2) any  
6 addition to, renovation, rehabilitation or improvement of a  
7 capital project or (3) any activity or undertaking which the  
8 Authority determines will aid, assist or encourage economic  
9 growth, development or redevelopment within the State or any  
10 area thereof, will promote the expansion, retention or  
11 diversification of employment opportunities within the State  
12 or any area thereof or will aid in stabilizing or developing  
13 any industry or economic sector of the State economy. The term  
14 "industrial project" also means the production of motion  
15 pictures.

16 (e) The term "bond" or "bonds" shall include bonds, notes  
17 (including bond, grant or revenue anticipation notes),  
18 certificates and/or other evidences of indebtedness  
19 representing an obligation to pay money, including refunding  
20 bonds.

21 (f) The terms "lease agreement" and "loan agreement" shall  
22 mean: (i) an agreement whereby a project acquired by the  
23 Authority by purchase, gift or lease is leased to any person,  
24

25 corporation or unit of local government which will use or cause  
 26 the project to be used as a project as heretofore defined upon  
 terms providing for lease rental payments at least sufficient

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1 to pay when due all principal of, interest and premium, if any,  
 2 on any bonds of the Authority issued with respect to such  
 3 project, providing for the maintenance, insuring and operation  
 4 of the project on terms satisfactory to the Authority,  
 5 providing for disposition of the project upon termination of  
 6 the lease term, including purchase options or abandonment of  
 7 the premises, and such other terms as may be deemed desirable  
 8 by the Authority, or (ii) any agreement pursuant to which the  
 9 Authority agrees to loan the proceeds of its bonds issued with  
 10 respect to a project or other funds of the Authority to any  
 11 person which will use or cause the project to be used as a  
 12 project as heretofore defined upon terms providing for loan  
 13 repayment installments at least sufficient to pay when due all  
 14 principal of, interest and premium, if any, on any bonds of the  
 15 Authority, if any, issued with respect to the project, and  
 16 providing for maintenance, insurance and other matters as may  
 17 be deemed desirable by the Authority.

18 (g) The term "financial aid" means the expenditure of  
 19 Authority funds or funds provided by the Authority through the  
 20 issuance of its bonds, notes or other evidences of indebtedness  
 21 or from other sources for the development, construction,  
 22 acquisition or improvement of a project.

23 (h) The term "person" means an individual, corporation,  
 24 unit of government, business trust, estate, trust, partnership  
 25 or association, 2 or more persons having a joint or common  
 26 interest, or any other legal entity.

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1 (i) The term "unit of government" means the federal

2 government, the State or unit of local government, a school  
3 district, or any agency or instrumentality, office, officer,  
4 department, division, bureau, commission, college or  
5 university thereof.

6 (j) The term "health facility" means: (a) any public or  
7 private institution, place, building, or agency required to be  
8 licensed under the Hospital Licensing Act; (b) any public or  
9 private institution, place, building, or agency required to be  
10 licensed under the Nursing Home Care Act; (c) any public or  
11 licensed private hospital as defined in the Mental Health and  
12 Developmental Disabilities Code; (d) any such facility  
13 exempted from such licensure when the Director of Public Health  
14 attests that such exempted facility meets the statutory  
15 definition of a facility subject to licensure; (e) any other  
16 public or private health service institution, place, building,  
17 or agency which the Director of Public Health attests is  
18 subject to certification by the Secretary, U.S. Department of  
19 Health and Human Services under the Social Security Act, as now  
20 or hereafter amended, or which the Director of Public Health  
21 attests is subject to standard-setting by a recognized public  
22 or voluntary accrediting or standard-setting agency; (f) any  
23 public or private institution, place, building or agency  
24 engaged in providing one or more supporting services to a  
25 health facility; (g) any public or private institution, place,  
26 building or agency engaged in providing training in the healing

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1 arts, including but not limited to schools of medicine,  
2 dentistry, osteopathy, optometry, podiatry, pharmacy or  
3 nursing, schools for the training of x-ray, laboratory or other  
4 health care technicians and schools for the training of  
5 para-professionals in the health care field; (h) any public or  
6 private congregate, life or extended care or elderly housing  
7 facility or any public or private home for the aged or infirm,  
8 including, without limitation, any Facility as defined in the  
9 Life Care Facilities Act; (i) any public or private mental,  
10

11 emotional or physical rehabilitation facility or any public or  
12 private educational, counseling, or rehabilitation facility or  
13 home, for those persons with a developmental disability, those  
14 who are physically ill or disabled, the emotionally disturbed,  
15 those persons with a mental illness or persons with learning or  
16 similar disabilities or problems; (j) any public or private  
17 alcohol, drug or substance abuse diagnosis, counseling  
18 treatment or rehabilitation facility, (k) any public or private  
19 institution, place, building or agency licensed by the  
20 Department of Children and Family Services or which is not so  
21 licensed but which the Director of Children and Family Services  
22 attests provides child care, child welfare or other services of  
23 the type provided by facilities subject to such licensure; (l)  
24 any public or private adoption agency or facility; and (m) any  
25 public or private blood bank or blood center. "Health facility"  
26 also means a public or private structure or structures suitable  
primarily for use as a laboratory, laundry, nurses or interns

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1 residence or other housing or hotel facility used in whole or  
2 in part for staff, employees or students and their families,  
3 patients or relatives of patients admitted for treatment or  
4 care in a health facility, or persons conducting business with  
5 a health facility, physician's facility, surgicenter,  
6 administration building, research facility, maintenance,  
7 storage or utility facility and all structures or facilities  
8 related to any of the foregoing or required or useful for the  
9 operation of a health facility, including parking or other  
10 facilities or other supporting service structures required or  
11 useful for the orderly conduct of such health facility. "Health  
12 facility" also means, with respect to a project located outside  
13 the State, any public or private institution, place, building,  
14 or agency which provides services similar to those described  
15 above, provided that such project is owned, operated, leased or  
16 managed by a participating health institution located within  
17 the State, or a participating health institution affiliated  
18

with an entity located within the State.

19 (k) The term "participating health institution" means (i) a  
20 private corporation or association or (ii) a public entity of  
21 this State, in either case authorized by the laws of this State  
22 or the applicable state to provide or operate a health facility  
23 as defined in this Act and which, pursuant to the provisions of  
24 this Act, undertakes the financing, construction or  
25 acquisition of a project or undertakes the refunding or  
26 refinancing of obligations, loans, indebtedness or advances as

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1 provided in this Act.

2 (l) The term "health facility project", means a specific  
3 health facility work or improvement to be financed or  
4 refinanced (including without limitation through reimbursement  
5 of prior expenditures), acquired, constructed, enlarged,  
6 remodeled, renovated, improved, furnished, or equipped, with  
7 funds provided in whole or in part hereunder, any accounts  
8 receivable, working capital, liability or insurance cost or  
9 operating expense financing or refinancing program of a health  
10 facility with or involving funds provided in whole or in part  
11 hereunder, or any combination thereof.

12 (m) The term "bond resolution" means the resolution or  
13 resolutions authorizing the issuance of, or providing terms and  
14 conditions related to, bonds issued under this Act and  
15 includes, where appropriate, any trust agreement, trust  
16 indenture, indenture of mortgage or deed of trust providing  
17 terms and conditions for such bonds.

18 (n) The term "property" means any real, personal or mixed  
19 property, whether tangible or intangible, or any interest  
20 therein, including, without limitation, any real estate,  
21 leasehold interests, appurtenances, buildings, easements,  
22 equipment, furnishings, furniture, improvements, machinery,  
23 rights of way, structures, accounts, contract rights or any  
24 interest therein.

25 (o) The term "revenues" means, with respect to any project,  
26

the rents, fees, charges, interest, principal repayments,

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1 collections and other income or profit derived therefrom.

2 (p) The term "higher education project" means, in the case  
3 of a private institution of higher education, an educational  
4 facility to be acquired, constructed, enlarged, remodeled,  
5 renovated, improved, furnished, or equipped, or any  
6 combination thereof.

7 (q) The term "cultural institution project" means, in the  
8 case of a cultural institution, a cultural facility to be  
9 acquired, constructed, enlarged, remodeled, renovated,  
10 improved, furnished, or equipped, or any combination thereof.

11 (r) The term "educational facility" means any property  
12 located within the State, or any property located outside the  
13 State, provided that, if the property is located outside the  
14 State, it must be owned, operated, leased or managed by an  
15 entity located within the State or an entity affiliated with an  
16 entity located within the State, in each case constructed or  
17 acquired before or after the effective date of this Act, which  
18 is or will be, in whole or in part, suitable for the  
19 instruction, feeding, recreation or housing of students, the  
20 conducting of research or other work of a private institution  
21 of higher education, the use by a private institution of higher  
22 education in connection with any educational, research or  
23 related or incidental activities then being or to be conducted  
24 by it, or any combination of the foregoing, including, without  
25 limitation, any such property suitable for use as or in  
26 connection with any one or more of the following: an academic

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1 facility, administrative facility, agricultural facility,  
2 assembly hall, athletic facility, auditorium, boating  
3 facility, campus, communication facility, computer facility,

4 continuing education facility, classroom, dining hall,  
5 dormitory, exhibition hall, fire fighting facility, fire  
6 prevention facility, food service and preparation facility,  
7 gymnasium, greenhouse, health care facility, hospital,  
8 housing, instructional facility, laboratory, library,  
9 maintenance facility, medical facility, museum, offices,  
10 parking area, physical education facility, recreational  
11 facility, research facility, stadium, storage facility,  
12 student union, study facility, theatre or utility.

13 (s) The term "cultural facility" means any property located  
14 within the State, or any property located outside the State,  
15 provided that, if the property is located outside the State, it  
16 must be owned, operated, leased or managed by an entity located  
17 within the State or an entity affiliated with an entity located  
18 within the State, in each case constructed or acquired before  
19 or after the effective date of this Act, which is or will be,  
20 in whole or in part, suitable for the particular purposes or  
21 needs of a cultural institution, including, without  
22 limitation, any such property suitable for use as or in  
23 connection with any one or more of the following: an  
24 administrative facility, aquarium, assembly hall, auditorium,  
25 botanical garden, exhibition hall, gallery, greenhouse,  
26 library, museum, scientific laboratory, theater or zoological

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1 facility, and shall also include, without limitation, books,  
2 works of art or music, animal, plant or aquatic life or other  
3 items for display, exhibition or performance. The term  
4 "cultural facility" includes buildings on the National  
5 Register of Historic Places which are owned or operated by  
6 nonprofit entities.

7 (t) "Private institution of higher education" means a  
8 not-for-profit educational institution which is not owned by  
9 the State or any political subdivision, agency,  
10 instrumentality, district or municipality thereof, which is  
11 authorized by law to provide a program of education beyond the  
12

high school level and which:

- 13           (1) Admits as regular students only individuals having  
14           a certificate of graduation from a high school, or the  
15           recognized equivalent of such a certificate;
- 16           (2) Provides an educational program for which it awards  
17           a bachelor's degree, or provides an educational program,  
18           admission into which is conditioned upon the prior  
19           attainment of a bachelor's degree or its equivalent, for  
20           which it awards a postgraduate degree, or provides not less  
21           than a 2-year program which is acceptable for full credit  
22           toward such a degree, or offers a 2-year program in  
23           engineering, mathematics, or the physical or biological  
24           sciences which is designed to prepare the student to work  
25           as a technician and at a semiprofessional level in  
26           engineering, scientific, or other technological fields

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- 1           which require the understanding and application of basic  
2           engineering, scientific, or mathematical principles or  
3           knowledge;
- 4           (3) Is accredited by a nationally recognized  
5           accrediting agency or association or, if not so accredited,  
6           is an institution whose credits are accepted, on transfer,  
7           by not less than 3 institutions which are so accredited,  
8           for credit on the same basis as if transferred from an  
9           institution so accredited, and holds an unrevoked  
10          certificate of approval under the Private College Act from  
11          the Board of Higher Education, or is qualified as a "degree  
12          granting institution" under the Academic Degree Act; and
- 13          (4) Does not discriminate in the admission of students  
14          on the basis of race or color. "Private institution of  
15          higher education" also includes any "academic  
16          institution".
- 17          (u) The term "academic institution" means any  
18          not-for-profit institution which is not owned by the State or  
19          any political subdivision, agency, instrumentality, district  
20

21 or municipality thereof, which institution engages in, or  
22 facilitates academic, scientific, educational or professional  
23 research or learning in a field or fields of study taught at a  
24 private institution of higher education. Academic institutions  
25 include, without limitation, libraries, archives, academic,  
26 scientific, educational or professional societies,  
institutions, associations or foundations having such

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1 purposes.

2 (v) The term "cultural institution" means any  
3 not-for-profit institution which is not owned by the State or  
4 any political subdivision, agency, instrumentality, district  
5 or municipality thereof, which institution engages in the  
6 cultural, intellectual, scientific, educational or artistic  
7 enrichment of the people of the State. Cultural institutions  
8 include, without limitation, aquaria, botanical societies,  
9 historical societies, libraries, museums, performing arts  
10 associations or societies, scientific societies and zoological  
11 societies.

12 (w) The term "affiliate" means, with respect to financing  
13 of an agricultural facility or an agribusiness, any lender, any  
14 person, firm or corporation controlled by, or under common  
15 control with, such lender, and any person, firm or corporation  
16 controlling such lender.

17 (x) The term "agricultural facility" means land, any  
18 building or other improvement thereon or thereto, and any  
19 personal properties deemed necessary or suitable for use,  
20 whether or not now in existence, in farming, ranching, the  
21 production of agricultural commodities (including, without  
22 limitation, the products of aquaculture, hydroponics and  
23 silviculture) or the treating, processing or storing of such  
24 agricultural commodities when such activities are customarily  
25 engaged in by farmers as a part of farming.

26 (y) The term "lender" with respect to financing of an

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1 agricultural facility or an agribusiness, means any federal or  
2 State chartered bank, Federal Land Bank, Production Credit  
3 Association, Bank for Cooperatives, federal or State chartered  
4 savings and loan association or building and loan association,  
5 Small Business Investment Company or any other institution  
6 qualified within this State to originate and service loans,  
7 including, but without limitation to, insurance companies,  
8 credit unions and mortgage loan companies. "Lender" also means  
9 a wholly owned subsidiary of a manufacturer, seller or  
10 distributor of goods or services that makes loans to businesses  
11 or individuals, commonly known as a "captive finance company".

12 (z) The term "agribusiness" means any sole proprietorship,  
13 limited partnership, co-partnership, joint venture,  
14 corporation or cooperative which operates or will operate a  
15 facility located within the State of Illinois that is related  
16 to the processing of agricultural commodities (including,  
17 without limitation, the products of aquaculture, hydroponics  
18 and silviculture) or the manufacturing, production or  
19 construction of agricultural buildings, structures, equipment,  
20 implements, and supplies, or any other facilities or processes  
21 used in agricultural production. Agribusiness includes but is  
22 not limited to the following:

- 23 (1) grain handling and processing, including grain  
24 storage, drying, treatment, conditioning, mailing and  
25 packaging;  
26 (2) seed and feed grain development and processing;

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1 (3) fruit and vegetable processing, including  
2 preparation, canning and packaging;

3 (4) processing of livestock and livestock products,  
4 dairy products, poultry and poultry products, fish or  
5 apiarian products, including slaughter, shearing,  
6

- 7 collecting, preparation, canning and packaging;
- 8 (5) fertilizer and agricultural chemical
- 9 manufacturing, processing, application and supplying;
- 10 (6) farm machinery, equipment and implement
- 11 manufacturing and supplying;
- 12 (7) manufacturing and supplying of agricultural
- 13 commodity processing machinery and equipment, including
- 14 machinery and equipment used in slaughter, treatment,
- 15 handling, collecting, preparation, canning or packaging of
- 16 agricultural commodities;
- 17 (8) farm building and farm structure manufacturing,
- 18 construction and supplying;
- 19 (9) construction, manufacturing, implementation,
- 20 supplying or servicing of irrigation, drainage and soil and
- 21 water conservation devices or equipment;
- 22 (10) fuel processing and development facilities that
- 23 produce fuel from agricultural commodities or byproducts;
- 24 (11) facilities and equipment for processing and
- 25 packaging agricultural commodities specifically for
- 26 export;
- (12) facilities and equipment for forestry product

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- 1 processing and supplying, including sawmilling operations,
- 2 wood chip operations, timber harvesting operations, and
- 3 manufacturing of prefabricated buildings, paper, furniture
- 4 or other goods from forestry products;
- 5 (13) facilities and equipment for research and
- 6 development of products, processes and equipment for the
- 7 production, processing, preparation or packaging of
- 8 agricultural commodities and byproducts.
- 9 (aa) The term "asset" with respect to financing of any
- 10 agricultural facility or any agribusiness, means, but is not
- 11 limited to the following: cash crops or feed on hand; livestock
- 12 held for sale; breeding stock; marketable bonds and securities;
- 13 securities not readily marketable; accounts receivable; notes
- 14

15 receivable; cash invested in growing crops; net cash value of  
16 life insurance; machinery and equipment; cars and trucks; farm  
17 and other real estate including life estates and personal  
18 residence; value of beneficial interests in trusts; government  
19 payments or grants; and any other assets.

20 (bb) The term "liability" with respect to financing of any  
21 agricultural facility or any agribusiness shall include, but  
22 not be limited to the following: accounts payable; notes or  
23 other indebtedness owed to any source; taxes; rent; amounts  
24 owed on real estate contracts or real estate mortgages;  
25 judgments; accrued interest payable; and any other liability.

26 (cc) The term "Predecessor Authorities" means those  
authorities as described in Section 845-75.

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1 (dd) The term "housing project" means a specific work or  
2 improvement undertaken to provide residential dwelling  
3 accommodations, including the acquisition, construction or  
4 rehabilitation of lands, buildings and community facilities  
5 and in connection therewith to provide nonhousing facilities  
6 which are part of the housing project, including land,  
7 buildings, improvements, equipment and all ancillary  
8 facilities for use for offices, stores, retirement homes,  
9 hotels, financial institutions, service, health care,  
10 education, recreation or research establishments, or any other  
11 commercial purpose which are or are to be related to a housing  
12 development.

13 (ee) The term "conservation project" means any project  
14 including the acquisition, construction, rehabilitation,  
15 maintenance, operation, or upgrade that is intended to create  
16 or expand open space or to reduce energy usage through  
17 efficiency measures. For the purpose of this definition, "open  
18 space" has the definition set forth under Section 10 of the  
19 Illinois Open Land Trust Act.

20 (ff) The term "significant presence" means the existence  
21 within the State of the national or regional headquarters of an  
22

23 entity or group or such other facility of an entity or group of  
 24 entities where a significant amount of the business functions  
 25 are performed for such entity or group of entities.  
 (Source: P.A. 95-697, eff. 11-6-07.)

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1 (Text of Section after amendment by P.A. 96-339)  
 2 Sec. 801-10. Definitions. The following terms, whenever  
 3 used or referred to in this Act, shall have the following  
 4 meanings, except in such instances where the context may  
 5 clearly indicate otherwise:  
 6 (a) The term "Authority" means the Illinois Finance  
 7 Authority created by this Act.  
 8 (b) The term "project" means an industrial project,  
 9 conservation project, housing project, public purpose project,  
 10 higher education project, health facility project, cultural  
 11 institution project, agricultural facility or agribusiness,  
 12 and "project" may include any combination of one or more of the  
 13 foregoing undertaken jointly by any person with one or more  
 14 other persons.  
 15 (c) The term "public purpose project" means any project or  
 16 facility including without limitation land, buildings,  
 17 structures, machinery, equipment and all other real and  
 18 personal property, which is authorized or required by law to be  
 19 acquired, constructed, improved, rehabilitated, reconstructed,  
 20 replaced or maintained by any unit of government or any other  
 21 lawful public purpose which is authorized or required by law to  
 22 be undertaken by any unit of government.  
 23 (d) The term "industrial project" means the acquisition,  
 24 construction, refurbishment, creation, development or  
 25 redevelopment of any facility, equipment, machinery, real  
 26 property or personal property for use by any instrumentality of

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1 the State or its political subdivisions, for use by any person  
2 or institution, public or private, for profit or not for  
3 profit, or for use in any trade or business including, but not  
4 limited to, any industrial, manufacturing or commercial  
5 enterprise and which is (1) a capital project including but not  
6 limited to: (i) land and any rights therein, one or more  
7 buildings, structures or other improvements, machinery and  
8 equipment, whether now existing or hereafter acquired, and  
9 whether or not located on the same site or sites; (ii) all  
10 appurtenances and facilities incidental to the foregoing,  
11 including, but not limited to utilities, access roads, railroad  
12 sidings, track, docking and similar facilities, parking  
13 facilities, dockage, wharfage, railroad roadbed, track,  
14 trestle, depot, terminal, switching and signaling or related  
15 equipment, site preparation and landscaping; and (iii) all  
16 non-capital costs and expenses relating thereto or (2) any  
17 addition to, renovation, rehabilitation or improvement of a  
18 capital project or (3) any activity or undertaking which the  
19 Authority determines will aid, assist or encourage economic  
20 growth, development or redevelopment within the State or any  
21 area thereof, will promote the expansion, retention or  
22 diversification of employment opportunities within the State  
23 or any area thereof or will aid in stabilizing or developing  
24 any industry or economic sector of the State economy. The term  
25 "industrial project" also means the production of motion  
26 pictures.

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1 (e) The term "bond" or "bonds" shall include bonds, notes  
2 (including bond, grant or revenue anticipation notes),  
3 certificates and/or other evidences of indebtedness  
4 representing an obligation to pay money, including refunding  
5 bonds.

6 (f) The terms "lease agreement" and "loan agreement" shall  
7 mean: (i) an agreement whereby a project acquired by the  
8

9 Authority by purchase, gift or lease is leased to any person,  
10 corporation or unit of local government which will use or cause  
11 the project to be used as a project as heretofore defined upon  
12 terms providing for lease rental payments at least sufficient  
13 to pay when due all principal of, interest and premium, if any,  
14 on any bonds of the Authority issued with respect to such  
15 project, providing for the maintenance, insuring and operation  
16 of the project on terms satisfactory to the Authority,  
17 providing for disposition of the project upon termination of  
18 the lease term, including purchase options or abandonment of  
19 the premises, and such other terms as may be deemed desirable  
20 by the Authority, or (ii) any agreement pursuant to which the  
21 Authority agrees to loan the proceeds of its bonds issued with  
22 respect to a project or other funds of the Authority to any  
23 person which will use or cause the project to be used as a  
24 project as heretofore defined upon terms providing for loan  
25 repayment installments at least sufficient to pay when due all  
26 principal of, interest and premium, if any, on any bonds of the  
Authority, if any, issued with respect to the project, and

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1 providing for maintenance, insurance and other matters as may  
2 be deemed desirable by the Authority.

3 (g) The term "financial aid" means the expenditure of  
4 Authority funds or funds provided by the Authority through the  
5 issuance of its bonds, notes or other evidences of indebtedness  
6 or from other sources for the development, construction,  
7 acquisition or improvement of a project.

8 (h) The term "person" means an individual, corporation,  
9 unit of government, business trust, estate, trust, partnership  
10 or association, 2 or more persons having a joint or common  
11 interest, or any other legal entity.

12 (i) The term "unit of government" means the federal  
13 government, the State or unit of local government, a school  
14 district, or any agency or instrumentality, office, officer,  
15 department, division, bureau, commission, college or  
16

university thereof.

17           (j) The term "health facility" means: (a) any public or  
18 private institution, place, building, or agency required to be  
19 licensed under the Hospital Licensing Act; (b) any public or  
20 private institution, place, building, or agency required to be  
21 licensed under the Nursing Home Care Act or the MR/DD Community  
22 Care Act; (c) any public or licensed private hospital as  
23 defined in the Mental Health and Developmental Disabilities  
24 Code; (d) any such facility exempted from such licensure when  
25 the Director of Public Health attests that such exempted  
26 facility meets the statutory definition of a facility subject

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1 to licensure; (e) any other public or private health service  
2 institution, place, building, or agency which the Director of  
3 Public Health attests is subject to certification by the  
4 Secretary, U.S. Department of Health and Human Services under  
5 the Social Security Act, as now or hereafter amended, or which  
6 the Director of Public Health attests is subject to  
7 standard-setting by a recognized public or voluntary  
8 accrediting or standard-setting agency; (f) any public or  
9 private institution, place, building or agency engaged in  
10 providing one or more supporting services to a health facility;  
11 (g) any public or private institution, place, building or  
12 agency engaged in providing training in the healing arts,  
13 including but not limited to schools of medicine, dentistry,  
14 osteopathy, optometry, podiatry, pharmacy or nursing, schools  
15 for the training of x-ray, laboratory or other health care  
16 technicians and schools for the training of para-professionals  
17 in the health care field; (h) any public or private congregate,  
18 life or extended care or elderly housing facility or any public  
19 or private home for the aged or infirm, including, without  
20 limitation, any Facility as defined in the Life Care Facilities  
21 Act; (i) any public or private mental, emotional or physical  
22 rehabilitation facility or any public or private educational,  
23 counseling, or rehabilitation facility or home, for those  
24

25 persons with a developmental disability, those who are  
 26 physically ill or disabled, the emotionally disturbed, those  
 persons with a mental illness or persons with learning or

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1 similar disabilities or problems; (j) any public or private  
 2 alcohol, drug or substance abuse diagnosis, counseling  
 3 treatment or rehabilitation facility, (k) any public or private  
 4 institution, place, building or agency licensed by the  
 5 Department of Children and Family Services or which is not so  
 6 licensed but which the Director of Children and Family Services  
 7 attests provides child care, child welfare or other services of  
 8 the type provided by facilities subject to such licensure; (l)  
 9 any public or private adoption agency or facility; and (m) any  
 10 public or private blood bank or blood center. "Health facility"  
 11 also means a public or private structure or structures suitable  
 12 primarily for use as a laboratory, laundry, nurses or interns  
 13 residence or other housing or hotel facility used in whole or  
 14 in part for staff, employees or students and their families,  
 15 patients or relatives of patients admitted for treatment or  
 16 care in a health facility, or persons conducting business with  
 17 a health facility, physician's facility, surgicenter,  
 18 administration building, research facility, maintenance,  
 19 storage or utility facility and all structures or facilities  
 20 related to any of the foregoing or required or useful for the  
 21 operation of a health facility, including parking or other  
 22 facilities or other supporting service structures required or  
 23 useful for the orderly conduct of such health facility. "Health  
 24 facility" also means, with respect to a project located outside  
 25 the State, any public or private institution, place, building,  
 26 or agency which provides services similar to those described

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1 above, provided that such project is owned, operated, leased or

2 managed by a participating health institution located within  
3 the State, or a participating health institution affiliated  
4 with an entity located within the State.

5 (k) The term "participating health institution" means (i) a  
6 private corporation or association or (ii) a public entity of  
7 this State, in either case authorized by the laws of this State  
8 or the applicable state to provide or operate a health facility  
9 as defined in this Act and which, pursuant to the provisions of  
10 this Act, undertakes the financing, construction or  
11 acquisition of a project or undertakes the refunding or  
12 refinancing of obligations, loans, indebtedness or advances as  
13 provided in this Act.

14 (l) The term "health facility project", means a specific  
15 health facility work or improvement to be financed or  
16 refinanced (including without limitation through reimbursement  
17 of prior expenditures), acquired, constructed, enlarged,  
18 remodeled, renovated, improved, furnished, or equipped, with  
19 funds provided in whole or in part hereunder, any accounts  
20 receivable, working capital, liability or insurance cost or  
21 operating expense financing or refinancing program of a health  
22 facility with or involving funds provided in whole or in part  
23 hereunder, or any combination thereof.

24 (m) The term "bond resolution" means the resolution or  
25 resolutions authorizing the issuance of, or providing terms and  
26 conditions related to, bonds issued under this Act and

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1 includes, where appropriate, any trust agreement, trust  
2 indenture, indenture of mortgage or deed of trust providing  
3 terms and conditions for such bonds.

4 (n) The term "property" means any real, personal or mixed  
5 property, whether tangible or intangible, or any interest  
6 therein, including, without limitation, any real estate,  
7 leasehold interests, appurtenances, buildings, easements,  
8 equipment, furnishings, furniture, improvements, machinery,  
9 rights of way, structures, accounts, contract rights or any  
10

interest therein.

11 (o) The term "revenues" means, with respect to any project,  
12 the rents, fees, charges, interest, principal repayments,  
13 collections and other income or profit derived therefrom.

14 (p) The term "higher education project" means, in the case  
15 of a private institution of higher education, an educational  
16 facility to be acquired, constructed, enlarged, remodeled,  
17 renovated, improved, furnished, or equipped, or any  
18 combination thereof.

19 (q) The term "cultural institution project" means, in the  
20 case of a cultural institution, a cultural facility to be  
21 acquired, constructed, enlarged, remodeled, renovated,  
22 improved, furnished, or equipped, or any combination thereof.

23 (r) The term "educational facility" means any property  
24 located within the State, or any property located outside the  
25 State, provided that, if the property is located outside the  
26 State, it must be owned, operated, leased or managed by an

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1 entity located within the State or an entity affiliated with an  
2 entity located within the State, in each case constructed or  
3 acquired before or after the effective date of this Act, which  
4 is or will be, in whole or in part, suitable for the  
5 instruction, feeding, recreation or housing of students, the  
6 conducting of research or other work of a private institution  
7 of higher education, the use by a private institution of higher  
8 education in connection with any educational, research or  
9 related or incidental activities then being or to be conducted  
10 by it, or any combination of the foregoing, including, without  
11 limitation, any such property suitable for use as or in  
12 connection with any one or more of the following: an academic  
13 facility, administrative facility, agricultural facility,  
14 assembly hall, athletic facility, auditorium, boating  
15 facility, campus, communication facility, computer facility,  
16 continuing education facility, classroom, dining hall,  
17 dormitory, exhibition hall, fire fighting facility, fire  
18

19 prevention facility, food service and preparation facility,  
20 gymnasium, greenhouse, health care facility, hospital,  
21 housing, instructional facility, laboratory, library,  
22 maintenance facility, medical facility, museum, offices,  
23 parking area, physical education facility, recreational  
24 facility, research facility, stadium, storage facility,  
25 student union, study facility, theatre or utility.

26 (s) The term "cultural facility" means any property located  
within the State, or any property located outside the State,

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1 provided that, if the property is located outside the State, it  
2 must be owned, operated, leased or managed by an entity located  
3 within the State or an entity affiliated with an entity located  
4 within the State, in each case constructed or acquired before  
5 or after the effective date of this Act, which is or will be,  
6 in whole or in part, suitable for the particular purposes or  
7 needs of a cultural institution, including, without  
8 limitation, any such property suitable for use as or in  
9 connection with any one or more of the following: an  
10 administrative facility, aquarium, assembly hall, auditorium,  
11 botanical garden, exhibition hall, gallery, greenhouse,  
12 library, museum, scientific laboratory, theater or zoological  
13 facility, and shall also include, without limitation, books,  
14 works of art or music, animal, plant or aquatic life or other  
15 items for display, exhibition or performance. The term  
16 "cultural facility" includes buildings on the National  
17 Register of Historic Places which are owned or operated by  
18 nonprofit entities.

19 (t) "Private institution of higher education" means a  
20 not-for-profit educational institution which is not owned by  
21 the State or any political subdivision, agency,  
22 instrumentality, district or municipality thereof, which is  
23 authorized by law to provide a program of education beyond the  
24 high school level and which:

25 (1) Admits as regular students only individuals having  
26

a certificate of graduation from a high school, or the

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- 1 recognized equivalent of such a certificate;
- 2 (2) Provides an educational program for which it awards
- 3 a bachelor's degree, or provides an educational program,
- 4 admission into which is conditioned upon the prior
- 5 attainment of a bachelor's degree or its equivalent, for
- 6 which it awards a postgraduate degree, or provides not less
- 7 than a 2-year program which is acceptable for full credit
- 8 toward such a degree, or offers a 2-year program in
- 9 engineering, mathematics, or the physical or biological
- 10 sciences which is designed to prepare the student to work
- 11 as a technician and at a semiprofessional level in
- 12 engineering, scientific, or other technological fields
- 13 which require the understanding and application of basic
- 14 engineering, scientific, or mathematical principles or
- 15 knowledge;
- 16 (3) Is accredited by a nationally recognized
- 17 accrediting agency or association or, if not so accredited,
- 18 is an institution whose credits are accepted, on transfer,
- 19 by not less than 3 institutions which are so accredited,
- 20 for credit on the same basis as if transferred from an
- 21 institution so accredited, and holds an unrevoked
- 22 certificate of approval under the Private College Act from
- 23 the Board of Higher Education, or is qualified as a "degree
- 24 granting institution" under the Academic Degree Act; and
- 25 (4) Does not discriminate in the admission of students
- 26 on the basis of race or color. "Private institution of

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- 1 higher education" also includes any "academic
- 2 institution".
- 3 (u) The term "academic institution" means any

4 not-for-profit institution which is not owned by the State or  
5 any political subdivision, agency, instrumentality, district  
6 or municipality thereof, which institution engages in, or  
7 facilitates academic, scientific, educational or professional  
8 research or learning in a field or fields of study taught at a  
9 private institution of higher education. Academic institutions  
10 include, without limitation, libraries, archives, academic,  
11 scientific, educational or professional societies,  
12 institutions, associations or foundations having such  
13 purposes.

14 (v) The term "cultural institution" means any  
15 not-for-profit institution which is not owned by the State or  
16 any political subdivision, agency, instrumentality, district  
17 or municipality thereof, which institution engages in the  
18 cultural, intellectual, scientific, educational or artistic  
19 enrichment of the people of the State. Cultural institutions  
20 include, without limitation, aquaria, botanical societies,  
21 historical societies, libraries, museums, performing arts  
22 associations or societies, scientific societies and zoological  
23 societies.

24 (w) The term "affiliate" means, with respect to financing  
25 of an agricultural facility or an agribusiness, any lender, any  
26 person, firm or corporation controlled by, or under common

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1 control with, such lender, and any person, firm or corporation  
2 controlling such lender.

3 (x) The term "agricultural facility" means land, any  
4 building or other improvement thereon or thereto, and any  
5 personal properties deemed necessary or suitable for use,  
6 whether or not now in existence, in farming, ranching, the  
7 production of agricultural commodities (including, without  
8 limitation, the products of aquaculture, hydroponics and  
9 silviculture) or the treating, processing or storing of such  
10 agricultural commodities when such activities are customarily  
11 engaged in by farmers as a part of farming.  
12

13 (y) The term "lender" with respect to financing of an  
14 agricultural facility or an agribusiness, means any federal or  
15 State chartered bank, Federal Land Bank, Production Credit  
16 Association, Bank for Cooperatives, federal or State chartered  
17 savings and loan association or building and loan association,  
18 Small Business Investment Company or any other institution  
19 qualified within this State to originate and service loans,  
20 including, but without limitation to, insurance companies,  
21 credit unions and mortgage loan companies. "Lender" also means  
22 a wholly owned subsidiary of a manufacturer, seller or  
23 distributor of goods or services that makes loans to businesses  
24 or individuals, commonly known as a "captive finance company".

24 (z) The term "agribusiness" means any sole proprietorship,  
25 limited partnership, co-partnership, joint venture,  
26 corporation or cooperative which operates or will operate a

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1 facility located within the State of Illinois that is related  
2 to the processing of agricultural commodities (including,  
3 without limitation, the products of aquaculture, hydroponics  
4 and silviculture) or the manufacturing, production or  
5 construction of agricultural buildings, structures, equipment,  
6 implements, and supplies, or any other facilities or processes  
7 used in agricultural production. Agribusiness includes but is  
8 not limited to the following:

- 9 (1) grain handling and processing, including grain  
10 storage, drying, treatment, conditioning, mailing and  
11 packaging;
- 12 (2) seed and feed grain development and processing;
- 13 (3) fruit and vegetable processing, including  
14 preparation, canning and packaging;
- 15 (4) processing of livestock and livestock products,  
16 dairy products, poultry and poultry products, fish or  
17 apiarian products, including slaughter, shearing,  
18 collecting, preparation, canning and packaging;
- 19 (5) fertilizer and agricultural chemical  
20

21 manufacturing, processing, application and supplying;  
22 (6) farm machinery, equipment and implement  
23 manufacturing and supplying;  
24 (7) manufacturing and supplying of agricultural  
25 commodity processing machinery and equipment, including  
26 machinery and equipment used in slaughter, treatment,  
handling, collecting, preparation, canning or packaging of

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1 agricultural commodities;  
2 (8) farm building and farm structure manufacturing,  
3 construction and supplying;  
4 (9) construction, manufacturing, implementation,  
5 supplying or servicing of irrigation, drainage and soil and  
6 water conservation devices or equipment;  
7 (10) fuel processing and development facilities that  
8 produce fuel from agricultural commodities or byproducts;  
9 (11) facilities and equipment for processing and  
10 packaging agricultural commodities specifically for  
11 export;  
12 (12) facilities and equipment for forestry product  
13 processing and supplying, including sawmilling operations,  
14 wood chip operations, timber harvesting operations, and  
15 manufacturing of prefabricated buildings, paper, furniture  
16 or other goods from forestry products;  
17 (13) facilities and equipment for research and  
18 development of products, processes and equipment for the  
19 production, processing, preparation or packaging of  
20 agricultural commodities and byproducts.  
21 (aa) The term "asset" with respect to financing of any  
22 agricultural facility or any agribusiness, means, but is not  
23 limited to the following: cash crops or feed on hand; livestock  
24 held for sale; breeding stock; marketable bonds and securities;  
25 securities not readily marketable; accounts receivable; notes  
26 receivable; cash invested in growing crops; net cash value of

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1 life insurance; machinery and equipment; cars and trucks; farm  
2 and other real estate including life estates and personal  
3 residence; value of beneficial interests in trusts; government  
4 payments or grants; and any other assets.

5 (bb) The term "liability" with respect to financing of any  
6 agricultural facility or any agribusiness shall include, but  
7 not be limited to the following: accounts payable; notes or  
8 other indebtedness owed to any source; taxes; rent; amounts  
9 owed on real estate contracts or real estate mortgages;  
10 judgments; accrued interest payable; and any other liability.

11 (cc) The term "Predecessor Authorities" means those  
12 authorities as described in Section 845-75.

13 (dd) The term "housing project" means a specific work or  
14 improvement undertaken to provide residential dwelling  
15 accommodations, including the acquisition, construction or  
16 rehabilitation of lands, buildings and community facilities  
17 and in connection therewith to provide nonhousing facilities  
18 which are part of the housing project, including land,  
19 buildings, improvements, equipment and all ancillary  
20 facilities for use for offices, stores, retirement homes,  
21 hotels, financial institutions, service, health care,  
22 education, recreation or research establishments, or any other  
23 commercial purpose which are or are to be related to a housing  
24 development.

25 (ee) The term "conservation project" means any project  
26 including the acquisition, construction, rehabilitation,

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1 maintenance, operation, or upgrade that is intended to create  
2 or expand open space or to reduce energy usage through  
3 efficiency measures. For the purpose of this definition, "open  
4 space" has the definition set forth under Section 10 of the  
5 Illinois Open Land Trust Act.  
6

7           (ff) The term "significant presence" means the existence  
8           within the State of the national or regional headquarters of an  
9           entity or group or such other facility of an entity or group of  
10           entities where a significant amount of the business functions  
11           are performed for such entity or group of entities.  
(Source: P.A. 95-697, eff. 11-6-07; 96-339, eff. 7-1-10.)

12           (20 ILCS 3501/801-55 new)  
13           Sec. 801-55. Required findings for projects located  
14           outside the State. The Authority may approve an application to  
15           finance or refinance a project located outside of the State  
16           only after it has made the following findings with respect to  
17           such financing or refinancing, all of which shall be deemed  
18           conclusive:

19           (a) the entity financing or refinancing a project  
20           located outside the State, or an affiliate thereof, is also  
21           engaged in the financing or refinancing of a project  
22           located within the State or, alternately, the entity  
23           seeking the financing or refinancing, or an affiliate  
24           thereof, maintains a significant presence within the  
25           State;

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1           (b) financing or refinancing the out-of-state project  
2           would promote the economy of the State for the benefit of  
3           the health, welfare, safety, trade, commerce, industry and  
4           economy of the people of the State by creating employment  
5           opportunities in the State or lowering the cost of  
6           accessing healthcare, private education, or cultural  
7           institutions in the State by reducing the cost of financing  
8           or operating projects; and

9           (c) after giving effect to the financing or refinancing  
10           of the out-of-state project, the Authority shall have the  
11           ability to issue at least an additional \$1,000,000,000 of  
12           bonds under Section 845-5(a) of this Act.

13           The Authority shall not provide financing for any project,  
14           or portion thereof, located outside the boundaries of the

15 United States of America.

16 Notwithstanding any other provision of this Act, the  
17 Authority shall not provide financing that uses State volume  
18 cap under Section 146 of the Internal Revenue Code of 1986, as  
19 amended, or constitutes an indebtedness or obligation, general  
20 or moral, or a pledge of the full faith or loan of credit of the  
21 State for any project, or portion thereof, that is located  
22 outside of the State.

23 Section 95. No acceleration or delay. Where this Act makes  
24 changes in a statute that is represented in this Act by text  
25 that is not yet or no longer in effect (for example, a Section

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1 represented by multiple versions), the use of that text does  
2 not accelerate or delay the taking effect of (i) the changes  
3 made by this Act or (ii) provisions derived from any other  
4 Public Act.

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

## Gallagher, Michael

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**From:** Larry Nines [lnines@whefa.com]  
**Sent:** Friday, January 14, 2011 1:19 PM  
**To:** Skwarczek, Marta A - DOA; Gallagher, Michael  
**Cc:** jvp@quarles.com  
**Subject:** Illinois legislation to allow out of state project financing  
**Attachments:** 20110114132255.pdf

Marta,

Attached is the legislative language drafted and incorporated into the Illinois Finance Authority statutes allowing them to issue bonds for out of state projects for borrowers having a nexus to the state of Illinois. I hope this helps in or discussions next Tuesday at 10:am to consider similar language for the Wisconsin Health and Educational Facilities Authority.

Talk with you then.

Larry Nines  
Executive Director  
Wisconsin Health & Educational Facilities Authority  
18000 W. Sarah Lane, Suite 300  
Brookfield, WI 53045-5841  
(262) 792-0466 phone  
(262) 792-0469 fax  
[www.whefa.com](http://www.whefa.com)

**WHEFA**

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**From:** "Govia, Shannon" <SGovia@il-fa.com>  
**To:** "WHEFA" <info@whefa.com>  
**Cc:** "Lenane, Pamela" <PLenane@il-fa.com>  
**Sent:** Tuesday, July 20, 2010 3:26 PM  
**Attach:** 20100720151616.pdf  
**Subject:** Illinois Multistate Legislation

Larry,

Please find attached the above referenced document which you discussed with Pam yesterday. Let me know if you need anything else.

Mr. Shannon D. Govia  
Funding Manager  
Illinois Finance Authority  
Two Prudential Plaza  
180 N. Stetson Avenue, Suite 2555  
Chicago, IL 60601  
DD: (312) 651-1333  
FAX: (312) 651-1350  
EMAIL: [sgovia@il-fa.com](mailto:sgovia@il-fa.com)  
[www.il-fa.com](http://www.il-fa.com)

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