

1 AN ACT in relation to toll highways.

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

4 Section 5. The Toll Highway Act is amended by changing
5 Section 17 and adding Sections 8.1, 16.2, and 21.1 as
6 follows:

7 (605 ILCS 10/8.1 new)

8 Sec. 8.1. Inspector General.

9 (a) The Authority shall appoint an Inspector General who
10 shall have the authority to conduct investigations into
11 allegations or incidents of waste, fraud, and financial
12 mismanagement in Authority operations involving an Authority
13 employee or contractor. The Inspector General shall make
14 recommendations to the Authority regarding his or her
15 investigations. The Inspector General shall be appointed for
16 a term of 4 years. The Inspector General shall be
17 independent of the operations of the Authority and perform
18 other duties as requested by the Authority.

19 (b) The Inspector General shall have access to all
20 information and personnel necessary to perform the duties of
21 the office. If the Inspector General determines that a
22 possible criminal act has been committed or that special
23 expertise is required in the investigation, he or she shall
24 immediately notify the State Police. All investigations
25 conducted by the Inspector General shall be conducted in a
26 manner that ensures the preservation of evidence for use in
27 criminal prosecutions.

28 (c) At all times, the Inspector General shall be granted
29 access to any building or facility that is owned, operated,
30 or leased by the Authority.

31 (d) The Inspector General shall have the power to

1 subpoena witnesses and compel the production of books and
2 papers pertinent to an investigation authorized by this
3 Section. A person is guilty of a Class A misdemeanor if he or
4 she:

5 (1) fails to appear in response to a subpoena;

6 (2) fails to answer any question;

7 (3) fails to produce any books or papers pertinent
8 to an investigation under this Section; or

9 (4) knowingly gives false testimony during an
10 investigation under this Section.

11 (e) The Inspector General shall provide to the Authority
12 and the General Assembly a summary of reports and
13 investigations made under this Section for the previous
14 fiscal year no later than January 1 of each year. The
15 summaries shall detail the final disposition of the Inspector
16 General's recommendations. The summaries may not contain any
17 confidential or identifying information concerning the
18 subjects of the reports and investigations. The summaries
19 shall also include detailed, recommended administrative
20 actions and matters for consideration by the General
21 Assembly.

22 (605 ILCS 10/16.2 new)

23 Sec. 16.2. Bond issuance service contracts; competitive
24 bidding.

25 (a) All contracts for services requiring professional,
26 technical, or artistic skill related to the issuance of any
27 bonds, refunding bonds, or advance refunding bonds, when the
28 amount of those services is in excess of \$25,000, shall be
29 let to the lowest qualified bidder or bidders on open,
30 competitive bidding after public advertisement made at least
31 5 days before the opening of bids in a newspaper of general
32 circulation in any city of over 500,000 population or in any
33 county through which the tollway for which the services are

1 required passes, in a manner and on one or more occasions as
2 may be prescribed by the Authority.

3 (b) If the services required would reasonably be
4 regarded by persons experienced in the area of those services
5 as requiring expertise with novel or complex issues that
6 could reasonably be provided by only one prospective
7 contractor, the Authority may prescribe by rule procedures
8 for the award of the service contract to the qualified
9 contractor. The contractor shall provide the required
10 service at the most economical cost to the Authority.

11 (605 ILCS 10/17) (from Ch. 121, par. 100-17)

12 Sec. 17. (a) The Authority may from time to time issue
13 bonds for any lawful purpose including, without limitation,
14 the costs of issuance thereof and all such bonds or other
15 obligations of the Authority issued pursuant to this Act
16 shall be and are hereby declared to be negotiable for all
17 purposes notwithstanding their payment from a limited source
18 and without regard to any other law or laws.

19 (b) The bonds of every issue shall be payable solely out
20 of revenues of the Authority, accumulated reserves or sinking
21 funds, bond proceeds, proceeds of refunding bonds, or
22 investment earnings as the Authority shall specify in a bond
23 resolution.

24 (c) The bonds may be issued as serial bonds or as term
25 bonds, or the Authority, in its discretion, may issue bonds
26 of both types. The bonds shall be authorized by a bond
27 resolution of the Authority, may be issued in one or more
28 series and shall bear such date or dates, mature at such time
29 or times not exceeding 25 years from their respective date or
30 dates of issue, bear interest at such rate or rates, fixed or
31 variable, without regard to any limit contained in any other
32 statute or law of the State of Illinois, be payable as to
33 principal and interest at such time or times, be in such

1 denominations, be in such form, either coupon or fully
2 registered, carry such registration and conversion
3 privileges, be payable in lawful money of the United States
4 of America at such places, be subject to such terms of
5 redemption and may contain such other terms and provisions,
6 as such bond resolution or resolutions may provide. The
7 bonds shall be executed by the manual or facsimile signatures
8 of the Chairman and the Secretary. In case any of the
9 officers whose signature appears on the bonds or coupons, if
10 any, shall cease to be an officer before the delivery of such
11 bonds, such signature shall nevertheless be valid and
12 sufficient for all purposes, as if he had remained in office
13 until such delivery. The bonds shall be sold in such manner
14 as the Authority shall determine. The proceeds from the sale
15 of such bonds shall be paid to the Treasurer of the State of
16 Illinois as ex officio custodian. Pending preparation of the
17 definitive bonds, the Authority may issue interim receipts or
18 certificates which shall be exchanged for such definitive
19 bonds.

20 (d) Any bond resolution, or trust indenture entered into
21 pursuant to a bond resolution, may contain provisions, which
22 shall be a part of the contract with the holders of the bonds
23 to be authorized, as to: (i) pledging or creating a lien upon
24 all or part of the revenues of the Authority or any reserves,
25 sinking funds, bond proceeds or investment earnings; (ii) the
26 setting aside of reserves or sinking funds, and the
27 regulation, investment and disposition thereof; (iii) the use
28 and maintenance requirements for the toll highways; (iv) the
29 purposes to which or the investments in which the proceeds of
30 sale of any series or issue of bonds then or thereafter to be
31 issued may be applied; (v) the issuance of additional bonds,
32 the terms upon which additional bonds may be issued and
33 secured, the purposes for such additional bonds, and the
34 terms upon which additional bonds may rank on a parity with,

1 or be subordinate or superior to other bonds; (vi) the
2 refunding of outstanding bonds; (vii) the procedure, if any,
3 by which the terms of any contract with bondholders may be
4 amended or abrogated, the amount of bonds the holders of
5 which must consent thereto, and the manner in which such
6 consent may be given; (viii) defining the acts or omissions
7 to act which shall constitute a default in the duties of the
8 Authority to holders of its obligations and providing the
9 rights and remedies of such holders in the event of a
10 default; (ix) any other matters relating to the bonds which
11 the Authority deems desirable.

12 (e) Neither the directors of the Authority nor any
13 person executing the bonds shall be liable personally on the
14 bonds or be subject to any personal liability or
15 accountability by reason of the issuance thereof.

16 (f) The Authority shall have power out of any funds
17 available therefor to purchase its bonds. The Authority may
18 hold, pledge, cancel or resell such bonds subject to and in
19 accordance with agreements with bondholders.

20 (g) In the discretion of the Authority any bonds issued
21 under the provisions of this Act may be secured by a trust
22 indenture by and between the Authority and a trustee or
23 trustees, which may be any trust company or bank in the State
24 of Illinois having the powers of a trust company and
25 possessing capital and surplus of not less than \$50,000,000.
26 The bond resolution or trust indenture providing for the
27 issuance of bonds so secured shall pledge such revenues of
28 the Authority, sinking funds, bond proceeds, or investment
29 earnings as may be specified therein, may contain such
30 provisions for protecting and enforcing the rights and
31 remedies of the bondholders as may be reasonable and proper
32 and not in violation of law, including particularly such
33 provisions as have hereinabove been specifically authorized
34 to be included in any bond resolution or trust indenture of

1 the Authority, and may restrict the individual right of
2 action by bondholders. In addition to the foregoing, any
3 bond resolution or trust indenture may contain such other
4 provisions as the Authority may deem reasonable and proper
5 for the security of the bondholders, including, but not
6 limited to, the purchase of bond insurance and the
7 arrangement of letters of credit, lines of credit or other
8 credit or liquidity enhancement facilities; provided there
9 shall be no pledge of the toll highway or any part thereof.
10 All expenses incurred in carrying out the provisions of any
11 bond resolution or trust indenture may be treated as a part
12 of the cost of the operation of the toll highways.

13 (h) Bonds issued under the authority of this Act do not,
14 and shall state upon the face of each bond that they do not,
15 represent or constitute a debt of the Authority or of the
16 State of Illinois within the meaning of any constitutional or
17 statutory limitation or a pledge of the faith and credit of
18 the Authority or the State of Illinois, or grant to the
19 owners or holders thereof any right to have the Authority or
20 the General Assembly levy any taxes or appropriate any funds
21 for the payment of the principal thereof or interest thereon.
22 Such bonds shall be payable and shall state that they are
23 payable solely from the revenues and the sources authorized
24 under this Act and pledged for their payment in accordance
25 with the bond resolution or trust indenture.

26 Nothing in this Act shall be construed to authorize the
27 Authority or any department, board, commission or other
28 agency to create an obligation of the State of Illinois
29 within the meaning of the Constitution or Statutes of
30 Illinois.

31 (i) Any resolution or trust indenture authorizing the
32 issuance of the bonds may include provision for the issuance
33 of additional bonds. All resolutions of the Authority to
34 carry such adopted bond resolutions into effect, to provide

1 for the sale and delivery of the bonds, for letting of
2 contracts for the construction of toll highways and the
3 acquisition of real and personal property deemed by the
4 Authority necessary or convenient for the construction
5 thereof, shall not require the approval of the Governor or of
6 any other department, division, commission, bureau, board or
7 other agency of the State.

8 (j) The Authority may not issue any bonds to finance new
9 construction or the repair of any tollway without first
10 applying all surplus revenues not currently needed to meet
11 any obligation of the Authority to the cost of the new
12 construction or repair project.

13 (Source: P.A. 83-1258.)

14 (605 ILCS 10/21.1 new)

15 Sec. 21.1. Schedule of conversions.

16 (a) Recognizing the original intent of the tollway
17 system and the directive of the General Assembly stated in
18 Section 21 that the toll highways and any connecting tunnels,
19 bridges, approaches, or other appurtenances to the toll
20 highways become part of the system of State highways and are
21 to be maintained and operated free of tolls once all bonds
22 and interest have been paid and all money appropriated by the
23 General Assembly has been repaid, the Authority shall
24 structure all financing of new toll highway construction to
25 facilitate converting established portions of the toll
26 highway system to State highways. In addition, when
27 refinancing or refunding existing debt, the Authority shall
28 enter into new bond indentures so as to eliminate
29 restrictions and facilitate conversion of established
30 portions of the tollway system into State highways.

31 (b) In accordance with subsection (a), the Authority
32 shall, in consultation with the Department of Transportation,
33 submit a report every 2 years to the Governor and the General

1 Assembly detailing when each portion of the toll highway
2 system can be converted into a State highway under the
3 Department of Transportation's supervision.

4 Section 99. Effective date. This Act shall take effect
5 upon becoming law.