

AN ACT concerning local government.

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

Section 1. Short title. This Act may be cited as the Climate Bank Loan Financing Act.

Section 5. Definitions. As used in this Act:

"Alternate bonds", "applicable law", "bond", "general obligation bonds", "limited bonds", "governmental unit", "revenue bonds", "enterprise revenues", and "revenue source" have the respective meanings set forth in Section 3 of the Local Government Debt Reform Act.

"Clean energy infrastructure project" means:

(i) a project that uses renewable energy resources, as defined in Section 1-10 of the Illinois Power Agency Act;

(ii) an energy efficiency project;

(iii) a project that uses technology for the storage of renewable energy, including, without limitation, the use of battery or electrochemical storage technology for mobile or stationary applications;

(iv) a project for the acquisition or repairs of electric vehicles;

(v) a project for the acquisition, construction, or repairs to electric vehicle charging stations; and

(vi) a building electrification project of replacing fossil fuels with electricity to meet a given end use.

"Electric vehicle" means a vehicle that is exclusively powered by and refueled by electricity, must be plugged in to charge, and is licensed to drive on public roadways.

"Electric vehicle charging station" means a station that delivers electricity from a source outside an electric vehicle into one or more electric vehicles.

"Energy efficiency project" means measures that reduce the amount of electricity, natural gas, or total Btu of electricity or natural gas required to achieve or meet a given end use, consistent with Section 1-10 of the Illinois Power Agency Act.

"Governing body" means the council, board, commission, or body, by whatever name it is known, having charge of the finances of a governmental unit.

Section 10. Clean energy infrastructure projects. A governmental unit may own, construct, equip, manage, control, erect, improve, extend, maintain, and operate new or existing clean energy infrastructure projects, may purchase real estate and any property rights to be used for clean energy infrastructure projects, and may charge for the use of clean energy infrastructure.

Section 15. Authorization to borrow from Illinois Finance

Authority Illinois Climate Bank loan programs. A governmental unit may borrow money and access loans from the Illinois Finance Authority to finance projects for the acquisition, construction, or improvement of new or existing clean energy infrastructure, in each case, qualified for financing by the Illinois Finance Authority under the Illinois Climate Bank bond loan programs of the Illinois Finance Authority.

Section 20. Bond authorization. A governmental unit may issue from time to time general obligation bonds, including alternate bonds and limited bonds, and revenue bonds pursuant to applicable law for the purpose of evidencing its obligation to repay its loans from the Illinois Finance Authority.

Section 25. Bond terms. Bonds issued under Section 20 shall bear interest at a rate or rates not to exceed the maximum rate permitted by the Bond Authorization Act at the time of the making of the loan from the Illinois Finance Authority. The bonds shall mature within 30 years from the date issued. General obligation bonds shall be the direct general obligations of the governmental unit and the full faith and credit of the governmental unit shall be pledged for the punctual payment of the principal of and interest on the general obligation bonds. Revenue bonds shall be limited obligations of the governmental unit payable from the enterprise revenues or revenue sources of the governmental

unit pledged as security for the punctual payment of the principal of and interest on the revenue bonds.

Section 30. Adoption of ordinance or resolution. In order to authorize participation in a loan from the Illinois Finance Authority and to authorize and issue the bonds, the governing body shall adopt an ordinance, or resolution when appropriate, providing for the determination of the amount of bonds, the maturity of bonds, and the rate of interest of the bonds. In the case of general obligation bonds, the ordinance or resolution shall provide for the levy and collection of a direct annual tax upon all the taxable property in the governmental unit sufficient to pay the principal of and interest on the general obligation bonds to maturity. Upon the filing of a certified copy of an adopted ordinance or resolution levying a direct annual tax under this Section in the office of the county clerk in each county in which the governmental unit is located, the county clerk shall annually extend the tax in addition to all other taxes authorized to be levied by the governmental unit or on behalf of the governmental unit. In the case of revenue bonds, the ordinance or resolution shall provide for covenants and agreements as may be found by the governmental unit to be necessary and appropriate, including any liens granted on enterprise revenues or revenue sources, to secure the punctual payment of the principal of and interest on the revenue bonds. The

governmental unit may enter into loan agreements and security agreements with respect to the borrowing of money from the Illinois Finance Authority pursuant to this Act.

Section 35. Authority for issuance. The authority to issue bonds by a governmental unit under this Act and applicable law for clean energy infrastructure projects is in addition to any other authority to issue bonds by a governmental unit provided by law.

Section 40. Execution. The bonds shall be executed in the name of the governmental unit by manual or facsimile signatures of the officials of the governmental unit as may be designated by the ordinance or resolution.

Section 97. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

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