

1 AN ACT in relation to air transportation.

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

4 Section 1. Short title. This Act may be cited as the
5 I-FLY Act.

6 Section 5. Findings. The General Assembly finds that,
7 in order to create, retain, and stabilize reliable air
8 service to commercial service airports outside of Cook
9 County, improve accessibility to business and industrial
10 centers, augment the State's tourism industry, and encourage
11 the development of facilities and support initiatives for
12 community growth, cooperation between the State, airports,
13 and communities is essential. The General Assembly further
14 finds that a State grant program is the best method to
15 achieve these ends.

16 Section 10. Definitions. As used in this Act:

17 "Air carrier" means an entity that provides commercial
18 passenger air transportation.

19 "Department" means the Illinois Department of
20 Transportation.

21 Section 15. I-FLY Fund.

22 (a) The I-FLY Fund is created as a special fund in the
23 State treasury. Moneys may be transferred to the Fund from:
24 (1) appropriations made by the General Assembly and units of
25 local government to the Fund, (2) federal moneys designated
26 for the Fund, and (3) any grants or gifts designated for the
27 Fund.

28 (b) Fifty percent of the moneys in the Fund shall be
29 used, subject to appropriation, for air carrier recruitment

1 and retention program grants. Fifty percent of the moneys in
2 the Fund shall be used, subject to appropriation, for
3 planning grants and capital improvement and equipment grants.

4 Section 20. I-FLY Program.

5 (a) The Department shall establish the I-FLY Program.
6 The Program shall consist of the following components:

7 (1) air carrier recruitment and retention grants as
8 described in subsection (c);

9 (2) planning grants under subsection (d); and

10 (3) capital improvement and equipment grants under
11 subsection (e).

12 Grants under this Act may be made only to airports that
13 are located completely outside of Cook County.

14 (b) During any one-year period, an airport may receive a
15 grant for only one of the 3 components specified in
16 subsection (a).

17 (c) Air carrier recruitment and retention program
18 grants.

19 (1) An airport may receive an air carrier
20 recruitment and retention program grant only if:

21 (A) it is capable of supporting takeoffs and
22 landings by aircraft that have at least 19 passenger
23 seats or have made improvements or commitments to
24 the Department to provide this capability;

25 (B) it is located within 20 miles of one or
26 more manufacturing facilities having at least 50
27 full-time employees or within a municipality with at
28 least 75,000 inhabitants; and

29 (C) it has a commitment from an air carrier to
30 start or continue air service to the community that
31 the airport serves subject to financial support
32 from the State and from the airport or unit of local
33 government that the airport serves. The commitment

1 must specify that the air carrier would not provide
2 or continue to provide service to the community if
3 financial assistance were not available.

4 (2) An application for an air carrier recruitment
5 and retention program grant must contain commitments from
6 the airport or the unit of local government in which the
7 airport is located as to the amount of the total project
8 cost, the contribution from the unit of local government
9 or airport, the method in which the contribution from the
10 airport or unit of local government will be generated,
11 and the requested State contribution.

12 (3) The air carrier recruitment and retention
13 program grant shall be used to guarantee the financial
14 viability of air carriers providing 4 flights per day for
15 6 days per week at the airport using aircraft that have
16 at least 19 passenger seats. A grant under this
17 subsection (c) to a particular airport may be in only one
18 of the following 3 forms:

19 (A) A grant may be used to guarantee that an
20 air carrier shall receive a specified amount of
21 revenue per flight.

22 (B) A grant may be used to guarantee a reduced
23 or subsidized consumer ticket price.

24 (C) A grant may be used to guarantee a profit
25 goal established by the air carrier and airport.

26 (4) During the first year of a grant under this
27 subsection (c), the grant shall pay 80% of the total cost
28 of the guarantee and the airport or unit of local
29 government in which the airport is located shall pay 20%
30 of the total cost of the guarantee. During the second
31 year of a grant under this subsection (c), the grant
32 shall pay 50% of the total cost of the guarantee and the
33 airport or the unit of local government in which the
34 airport is located shall pay 50% of the total cost of the

1 guarantee.

2 (5) The total State funding for a grant under this
3 subsection (c) to a particular airport may not exceed
4 \$2,500,000 in any year.

5 (6) An airport that has received a 2-year grant
6 under this subsection (c) may apply for another grant for
7 an additional 2-year period; however, the Department
8 shall, in determining whether to make a grant for an
9 additional 2-year period, give priority to other airports
10 that have not previously received a grant under this
11 subsection (c). The Department shall also give priority
12 in making grants under this subsection (c) to airports at
13 which the Department determines that a 2-year grant may
14 result in the creation of stable and reliable commercial
15 air service without an additional grant.

16 (d) Planning grants. An airport may apply for and
17 receive a planning grant to conduct feasibility studies or
18 business plans designed to study the recruitment, retention,
19 or expansion of an air carrier at the airport. To be eligible
20 for a grant under this subsection (d), the airport must have
21 the potential for initial or expanded air service as the
22 Department determines through its evaluation process. The
23 grant shall pay 70% of the total cost of the feasibility
24 studies or business plans and the airport or the unit of
25 local government in which the airport is located shall pay
26 30% of the total cost of the feasibility studies or business
27 plans. An airport may receive only one planning grant.

28 (e) Capital improvement and equipment grants. An airport
29 may apply for and receive a capital improvement and equipment
30 grant for capital improvements, including equipment to
31 facilitate the attraction or retention of commercial air
32 service. The grant shall pay 50% of the cost of an approved
33 project and the airport or the unit of local government in
34 which the airport is located shall pay 50% of the cost of

1 the approved project. In evaluating an application for a
2 grant under this subsection (e), the Department shall give
3 priority to airports at which the requested improvements
4 would facilitate the airport's ability to recruit or retain
5 commercial air service.

6 Section 25. Rules. The Department shall adopt rules to
7 carry out this Act.

8 Section 90. The State Finance Act is amended by adding
9 Section 5.596 as follows:

10 (30 ILCS 105/5.596 new)

11 Sec. 5.596. The I-FLY Fund.

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