

1                                    AMENDMENT TO SENATE BILL 172

2            AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 172 by replacing  
3 the title with the following:

4            "AN ACT in relation to air transportation."; and

5 by replacing everything after the enacting clause with the  
6 following:

7            "Section 1. Short title. This Act may be cited as the  
8 I-FLY Act.

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

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

20            "Air carrier" means an entity that provides commercial

1 passenger air transportation.

2 "Commission" means the Air Service Commission.

3 Section 15. I-FLY Fund.

4 (a) The I-FLY Fund is created as a special fund in the  
5 State treasury. Moneys may be deposited into the Fund from:  
6 (1) appropriations made by the General Assembly and units of  
7 local government to the Fund, (2) federal moneys designated  
8 for the Fund, and (3) any grants or gifts designated for the  
9 Fund.

10 (b) The moneys in the Fund shall be used by the  
11 Commission, subject to appropriation, for air carrier  
12 recruitment and retention program grants and for planning  
13 grants.

14 Section 20. Air Service Commission. There is created the  
15 Air Service Commission. The Commission shall consist of 5  
16 members, each of whom has airport management or air carrier  
17 experience, or both. The members shall be appointed by the  
18 Governor, with the advice and consent of the Senate, each one  
19 from a different geographical region of the State outside of  
20 Cook County. The Governor shall designate one of the members  
21 as the chairperson.

22 Members shall serve for a term of 4 years, except that,  
23 for the initial members appointed, one shall serve for a term  
24 of 5 years, one for a term of 4 years, one for a term of 3  
25 years, one for a term of 2 years, and one for a term of one  
26 year. Initial terms shall commence on July 1, 2003. Each  
27 member shall serve until a successor is appointed and  
28 qualified. Vacancies shall be filled in the same manner as  
29 initial appointments. The members shall receive a salary set  
30 by the Compensation Review Board and shall be reimbursed for  
31 the necessary expenses incurred in the performance of their  
32 duties.

1           The Commission shall administer this Act and is  
2 authorized to do all things reasonable and necessary to  
3 accomplish the goals of the I-Fly Program.

4           Section 25. I-FLY Program.

5           (a) The Commission 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); and

9                 (2) planning grants under subsection (d).

10          The Commission may make grants under this Act only to  
11 airports that are located completely outside of Cook County.

12          (b) During any one-year period, an airport may receive a  
13 grant for only one of the 2 components specified in  
14 subsection (a).

15          (c) Air carrier recruitment and retention program  
16 grants.

17                 (1) An airport may receive an air carrier  
18 recruitment and retention program grant from the  
19 Commission only if:

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

24                         (B) it has a commitment from an air carrier to  
25 start or continue air service to the community that  
26 the airport serves subject to financial support  
27 from the State and from the airport or unit of local  
28 government that the airport serves. The commitment  
29 must specify that the air carrier would not provide  
30 or continue to provide service to the community if  
31 financial assistance were not available.

32                 (2) An application for an air carrier recruitment  
33 and retention program grant must contain commitments from

1 the airport or the unit of local government in which the  
2 airport is located as to the amount of the total project  
3 cost, the contribution from the unit of local government  
4 or airport, the method in which the contribution from the  
5 airport or unit of local government will be generated,  
6 and the requested State contribution.

7 (3) The air carrier recruitment and retention  
8 program grant shall be used to guarantee the financial  
9 viability of air carriers providing reasonable air  
10 service at the airport. A grant under this subsection (c)  
11 to a particular airport may be in only one of the  
12 following 3 forms:

13 (A) A grant may be used to guarantee that an  
14 air carrier shall receive an agreed amount of  
15 revenue per flight.

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

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

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

30 (5) The total State funding for a grant under this  
31 subsection (c) to a particular airport may not exceed  
32 \$1,000,000 in any year.

33 (6) An airport that has received a 2-year grant  
34 under this subsection (c) may apply for another grant for

1 an additional 2-year period; however, the Commission  
2 shall, in determining whether to make a grant for an  
3 additional 2-year period, give priority to other airports  
4 that have not previously received a grant under this  
5 subsection (c). The Commission shall also give priority  
6 in making grants under this subsection (c) to airports at  
7 which the Commission determines that a 2-year grant may  
8 result in the creation of stable and reliable commercial  
9 air service without an additional grant.

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

22 Section 90. The State Finance Act is amended by adding  
23 Section 5.595 as follows:

24 (30 ILCS 105/5.595 new)

25 Sec. 5.595. The I-FLY Fund.

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