

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 "Commission" means the Air Service Commission.

20 Section 15. I-FLY Fund.

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

27 (b) The moneys in the Fund shall be used by the
28 Commission, subject to appropriation, for air carrier
29 recruitment and retention program grants and for planning

1 grants.

2 Section 20. Air Service Commission. There is created the
3 Air Service Commission. The Commission shall consist of 5
4 members, each of whom has airport management or air carrier
5 experience, or both. The members shall be appointed by the
6 Governor, with the advice and consent of the Senate, each one
7 from a different geographical region of the State outside of
8 Cook County. The Governor shall designate one of the members
9 as the chairperson.

10 Members shall serve for a term of 4 years, except that,
11 for the initial members appointed, one shall serve for a term
12 of 5 years, one for a term of 4 years, one for a term of 3
13 years, one for a term of 2 years, and one for a term of one
14 year. Initial terms shall commence on July 1, 2003. Each
15 member shall serve until a successor is appointed and
16 qualified. Vacancies shall be filled in the same manner as
17 initial appointments. The members shall not receive a salary
18 but shall be reimbursed for the necessary expenses incurred
19 in the performance of their duties.

20 The Commission shall administer this Act and is
21 authorized to do all things reasonable and necessary to
22 accomplish the goals of the I-FLY Program.

23 Section 25. I-FLY Program.

24 (a) The Commission shall establish the I-FLY Program.
25 The Program shall consist of the following components:

26 (1) air carrier recruitment and retention grants as
27 described in subsection (c); and

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

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

31 (b) During any one-year period, an airport may receive a
32 grant for only one of the 2 components specified in

1 subsection (a).

2 (c) Air carrier recruitment and retention program
3 grants.

4 (1) An airport may receive an air carrier
5 recruitment and retention program grant from the
6 Commission only if:

7 (A) it is capable of supporting takeoffs and
8 landings by aircraft that have at least 19 passenger
9 seats or have made improvements or commitments to
10 the Commission to provide this capability; and

11 (B) it has a commitment from an air carrier to
12 start or continue air service to the community that
13 the airport serves subject to financial support
14 from the State and from the airport or unit of local
15 government that the airport serves. The commitment
16 must specify that the air carrier would not provide
17 or continue to provide service to the community if
18 financial assistance were not available.

19 (2) An application for an air carrier recruitment
20 and retention program grant must contain commitments from
21 the airport or the unit of local government in which the
22 airport is located as to the amount of the total project
23 cost, the contribution from the unit of local government
24 or airport, the method in which the contribution from the
25 airport or unit of local government will be generated,
26 and the requested State contribution.

27 (3) The air carrier recruitment and retention
28 program grant shall be used to guarantee the financial
29 viability of air carriers providing reasonable air
30 service at the airport. A grant under this subsection (c)
31 to a particular airport may be in only one of the
32 following 3 forms:

33 (A) A grant may be used to guarantee that an
34 air carrier shall receive an agreed amount of

1 revenue per flight.

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

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

6 (4) During the first year of a grant under this
7 subsection (c), the grant shall pay 80% of the total cost
8 of the guarantee and the airport or unit of local
9 government in which the airport is located shall pay 20%
10 of the total cost of the guarantee. During the second
11 year of a grant under this subsection (c), the grant
12 shall pay 50% of the total cost of the guarantee and the
13 airport or the unit of local government in which the
14 airport is located shall pay 50% of the total cost of the
15 guarantee.

16 (5) The total State funding for a grant under this
17 subsection (c) to a particular airport may not exceed
18 \$1,000,000 in any year.

19 (6) An airport that has received a 2-year grant
20 under this subsection (c) may apply for another grant for
21 an additional 2-year period; however, the Commission
22 shall, in determining whether to make a grant for an
23 additional 2-year period, give priority to other airports
24 that have not previously received a grant under this
25 subsection (c). The Commission shall also give priority
26 in making grants under this subsection (c) to airports at
27 which the Commission determines that a 2-year grant may
28 result in the creation of stable and reliable commercial
29 air service without an additional grant.

30 (d) Planning grants. An airport may apply for and
31 receive a planning grant to conduct feasibility studies or
32 business plans designed to study the recruitment, retention,
33 or expansion of an air carrier at the airport. To be eligible
34 for a grant under this subsection (d), the airport must have

1 the potential for initial or expanded air service as the
2 Commission determines through its evaluation process. The
3 grant shall pay 70% of the total cost of the feasibility
4 studies or business plans and the airport or the unit of
5 local government in which the airport is located shall pay
6 30% of the total cost of the feasibility studies or business
7 plans. An airport may receive only one planning grant.

8 Section 90. The State Finance Act is amended by adding
9 Section 5.595 as follows:

10 (30 ILCS 105/5.595 new)
11 Sec. 5.595. The I-FLY Fund.

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