

1 AN ACT concerning transportation.

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

4 Section 5. The Local Mass Transit District Act is
5 amended by changing Sections 2, 3, 3.01, 3.5, 4, 5, 5.01, and
6 8.1 as follows:

7 (70 ILCS 3610/2) (from Ch. 111 2/3, par. 352)

8 Sec. 2. For the purposes of this Act:

9 (a) "Mass transit facility" means any local public
10 transportation facility, whether buses, trolley-buses, or
11 railway systems, utilized by a substantial number of persons
12 for their daily transportation, and includes not only the
13 local public transportation facility itself but ancillary and
14 supporting facilities such as, for example, motor vehicle
15 parking facilities, as well.

16 (b) "Participating municipality and county" means the
17 municipality or municipalities, county or counties creating
18 the local Mass Transit District pursuant to Section 3 of this
19 Act.

20 (c) "Municipality" means a city, village, township, or
21 incorporated town.

22 (d) "Corporate authorities" means (1) the city council
23 or similar body of a city, (2) the board of trustees or
24 similar body of a village or incorporated town, (3) the
25 council of a municipality under the commission form of
26 municipal government, and (4) the board of trustees in a
27 township.

28 (e) "County board" means the governing board of a
29 county.

30 (f) "District" means a local Mass Transit District
31 created pursuant to Section 3 of this Act.

1 (g) "Board" means the Board of Trustees of a local Mass
2 Transit District created pursuant to Section 3 of this Act.

3 (h) "Interstate transportation authority" shall mean any
4 political subdivision created by compact between this State
5 and another state, which is a body corporate and politic and
6 a political subdivision of both contracting states, and which
7 operates a public mass transportation system;

8 (i) "Metro East Mass Transit District" means one or more
9 local mass transit districts created pursuant to this Act,
10 composed only of Madison, St. Clair or Monroe Counties, or
11 any combination thereof or any territory annexed to such
12 district.

13 (j) "Public mass transportation system" shall mean a
14 transportation system or systems owned and operated by an
15 interstate transportation authority, a municipality,
16 District, or other public or private authority, employing
17 motor busses, rails or any other means of conveyance, by
18 whatsoever type or power, operated for public use in the
19 conveyance of persons, mainly providing local transportation
20 service within an interstate transportation district,
21 municipality, or county.

22 (Source: P.A. 82-783.)

23 (70 ILCS 3610/3) (from Ch. 111 2/3, par. 353)

24 Sec. 3. For the purpose of acquiring, constructing,
25 owning, operating and maintaining mass transit facilities for
26 public service or subsidizing the operation thereof a local
27 Mass Transit District may be created, composed of one or more
28 municipalities or one or more counties or any combination
29 thereof, by ordinance approved by a majority vote of the
30 corporate authorities or by resolution approved by a majority
31 vote of the county board of each participating municipality
32 and county, ~~and any county participating in a Metro East Mass~~
33 ~~Transit District may terminate its participation in the same~~

1 manner. A Metro East Mass Transit District created by one or
2 more counties shall include: (1) those townships which were
3 served by regularly scheduled mass transit routes operated by
4 an interstate transportation authority on June 1, 1980; (2)
5 in the case of a county without townships, any municipality
6 or unincorporated portion of a road district which was served
7 by regularly scheduled mass transit routes operated by an
8 interstate transportation authority on June 1, 1980; (3) any
9 other townships or municipalities whose participation is
10 approved by ordinance adopted by a majority vote of their
11 Board of Trustees or corporate authorities; plus (4) in the
12 case of a county without townships, the unincorporated
13 portion of any road district, the participation of which is
14 approved by an ordinance adopted by a majority vote of the
15 Board of Commissioners of the county in which it is located.
16 Such District shall be known as the "... Mass Transit
17 District", inserting all or any significant part of the name
18 or names of the municipality or the county, or both, creating
19 the District, or a name descriptive of the area to be served
20 if the District is created by more than one municipality,
21 more than one county, or any combination thereof.

22 The District created pursuant to this Act shall be a
23 municipal corporation and shall have the right of eminent
24 domain to acquire private property which is necessary for the
25 purposes of the District, and shall have the power to
26 contract for public mass transportation with an Interstate
27 Transportation Authority.

28 Upon the creation of any District, the clerk of the
29 municipality or of the county, or the clerks of the several
30 municipalities or counties, as the case may be, shall certify
31 a copy of the ordinance or resolution creating the District,
32 and the names of the persons first appointed Trustees
33 thereof, and shall file the same with the county clerk for
34 recording as certificates of incorporation and the county

1 clerk shall cause duplicate certified copies thereof to be
2 filed with the Secretary of State.

3 (Source: P.A. 81-1471.)

4 (70 ILCS 3610/3.01) (from Ch. 111 2/3, par. 353.01)

5 Sec. 3.01. Any municipality or county may be annexed to
6 a District, other than a Metro East Transit District, formed
7 pursuant to Section 3 when the District has no tax levy in
8 effect and has no bonded indebtedness if a petition for
9 annexation is adopted by an ordinance or resolution approved
10 by a majority vote of the corporate authorities of such
11 municipality or the county board of such county and such
12 ordinance or resolution is approved by a 2/3 vote of the
13 members of the board of trustees of the District. Upon the
14 approval of such a petition of annexation by the board of
15 trustees of a District, a certified copy of the ordinance of
16 annexation shall be filed by the secretary of the board in
17 the same manner as provided for upon creation of the
18 District.

19 Any contiguous township of any county, not already
20 participating in a Metro East Transit District, may be
21 annexed to a Metro East Transit District formed by one county
22 pursuant to Section 3 of this Act, ~~provided that township is~~
23 ~~within such county,~~ if a petition for annexation, which is
24 signed by at least 10% of the registered voters in the last
25 general election who are residents of the township to be
26 annexed or approved by a majority vote of the township board
27 of the township to be annexed, is adopted by resolution
28 approved by a majority vote of the county board in which the
29 District was formed of such county and such resolution is
30 approved by a 2/3 vote of the members of the board of
31 trustees of the District. Upon the approval of such
32 petition of annexation by the board of trustees of a
33 District, a certified copy of the ordinance of annexation

1 shall be filed by the secretary of the board in the same
2 manner as provided for upon creation of the District.

3 (Source: P.A. 85-779.)

4 (70 ILCS 3610/3.5) (from Ch. 111 2/3, par. 353.5)

5 Sec. 3.5. If the district acquires a mass transit
6 facility, all of the employees in the~~---operating---~~and
7 ~~maintenance--divisions--of~~ such mass transit facility and all
8 ~~other-employees-except-executive-and-administrative--officers~~
9 ~~and--employees,~~ shall be transferred to and appointed as
10 employees of the district, subject to all rights and benefits
11 of this Act, and these employees shall be given seniority
12 credit in accordance with the records and labor agreements of
13 the mass transit facility. Employees who left the employ of
14 such a mass transit facility to enter the military service of
15 the United States shall have the same rights as to the
16 district, under the provisions of the "Service Men's
17 Employment Tenure Act", approved July 17, 1941, as they would
18 have had thereunder as to such mass transit facility. After
19 such acquisition the district shall be required to extend to
20 such former employees of such mass transit facility only the
21 rights and benefits as to pensions and retirement as are
22 accorded other employees of the district.

23 (Source: Laws 1959, p. 1635.)

24 (70 ILCS 3610/4) (from Ch. 111 2/3, par. 354)

25 Sec. 4. The powers of the local Mass Transit District
26 shall repose in, and be exercised by, a Board of Trustees.
27 If the District is created by only one municipality or only
28 one county the corporate authorities or the county board
29 chairman with the consent of the county board of such
30 municipality or county shall appoint either 3 or 5 trustees
31 to the Board; provided that in any Metro East Mass Transit
32 District created by a single county, 5 trustees shall be

1 appointed and the trustees so appointed shall be: (1) a
2 mayor of a municipality within the District county; (2) a
3 township supervisor from within the District such-county, or
4 if in a county without township supervisors, another such
5 mayor within the District; (3) the county board chairman in
6 which the District was formed or such other county board
7 member as he shall designate; and (4) 2 members of the
8 general public. If the District is created by one or more
9 municipalities or one or more counties or any combination
10 thereof, the corporate authorities or the county board
11 chairman with the consent of the county board of each
12 participating municipality or county shall appoint one
13 trustee to the Board for every 100,000 inhabitants, or
14 fraction thereof, of such municipality or county. The first
15 Trustees appointed to the Board and any 2 additional
16 trustees, initially appointed as a result of this amendatory
17 Act of 1983 shall serve for terms of 4 years or less, the
18 terms to be staggered to the extent possible so that they
19 expire one year apart and so that the terms of not more than
20 2 trustees expire in the same year, with the Trustees to
21 serve less than 4 years to be selected by lot. Thereafter,
22 their successors shall serve for 4 years. Vacancies shall be
23 filled for the unexpired term in the same manner as the
24 original appointment.

25 Except in a Metro East Mass Transit District, no Trustee
26 of any District may be an elected official of the
27 municipality or municipalities or county or counties creating
28 the District. A Trustee shall hold office until his successor
29 has been appointed and has qualified. A certificate of the
30 appointment or reappointment of any Trustee shall be filed
31 with the clerk or clerks and such certificate shall be
32 conclusive evidence of the due and proper appointment of such
33 Trustee. A Trustee shall receive, as compensation for his
34 services, not more than \$100 \$50 for each day devoted to the

1 business of the Board but not more than \$400 ~~\$200~~ per month.
2 For the purposes of this Section, each District may determine
3 what constitutes a business day. He shall also be entitled
4 to the necessary expenses, including traveling expenses,
5 incurred in the discharge of his duties. The powers of each
6 District and the Board shall be vested in the Trustees
7 thereof in office from time to time. A majority shall
8 constitute a quorum of the Board for the purpose of
9 conducting its business and exercising its powers and for all
10 other purposes. Action may be taken by the Board upon a vote
11 of the majority of the Trustees present, unless in any case
12 the bylaws of the Board shall require a larger number. The
13 Board shall select a chairman and a vice-chairman from among
14 the Trustees.

15 No Trustee or employee of the Board shall acquire or have
16 any interest direct or indirect in any contract or proposed
17 contract for materials or services to be furnished or used in
18 connection with operations of the District. For inefficiency
19 or neglect of duty or misconduct in office, a Trustee may be
20 removed by the person or body which made the original
21 appointment, but a Trustee shall be removed only after he
22 shall have been given a copy of the charges against him at
23 least 10 days prior to the hearing thereon and has had an
24 opportunity to be heard in person or by counsel. In the
25 event of the removal of any Trustee, a record of the
26 proceedings, together with the charges and findings thereon,
27 shall be filed in the office of the clerk or clerks of the
28 creating county or counties or municipality or
29 municipalities.

30 The Board shall employ a managing director of the
31 District and may employ a secretary, treasurer, technical
32 experts and such other officers, agents and employees,
33 permanent and temporary, as it may require, and shall fix and
34 determine their qualifications, duties and compensation and

1 the amount of bond to be furnished for such offices and
2 positions. For such legal services as it may require, the
3 Board may call upon any chief law officers of the
4 municipality, municipalities, or the county or counties as
5 the case may be, or may employ and fix the compensation of
6 its own counsel and legal staff. The Board may delegate to
7 one or more of its agents or employees such powers and duties
8 as it may deem proper. Notwithstanding the other provisions
9 of this paragraph, employment of any person other than a
10 managing director or secretary by any Metro East Mass Transit
11 District created by a single county shall require the
12 authorization of the county board of such county.

13 Neither the District, the members of its Board nor its
14 officers or employees shall be held liable for failure to
15 provide a security or police force or, if a security or
16 police force is provided, for failure to provide adequate
17 police protection or security, failure to prevent the
18 commission of crimes by fellow passengers or other third
19 persons or for the failure to apprehend criminals.

20 (Source: P.A. 85-779.)

21 (70 ILCS 3610/5) (from Ch. 111 2/3, par. 355)

22 Sec. 5. (a) The Board of Trustees of every District may
23 establish or acquire any or all manner of mass transit
24 facility. The Board may engage in the business of
25 transportation of passengers on scheduled routes and by
26 contract on nonscheduled routes within the territorial limits
27 of the counties or municipalities creating the District, by
28 whatever means it may decide. Its routes may be extended
29 beyond such territorial limits with the consent of the
30 governing bodies of the municipalities or counties into which
31 such operation is extended.

32 (b) The Board of Trustees of every District may for the
33 purposes of the District, acquire by gift, purchase, lease,

1 legacy, condemnation, or otherwise and hold, use, improve,
2 maintain, operate, own, manage or lease, as lessor or lessee,
3 such cars, buses, equipment, buildings, structures, real and
4 personal property, and interests therein, and services, lands
5 for terminal and other related facilities, improvements and
6 services, or any interest therein, including all or any part
7 of the plant, land, buildings, equipment, vehicles,
8 licenses, franchises, patents, property, service contracts
9 and agreements of every kind and nature. Real property may be
10 so acquired if it is situated within or partially within the
11 area served by the District or if it is outside the area if
12 it is desirable or necessary for the purposes of the
13 District.

14 (c) The Board of Trustees of every District which
15 establishes, provides, or acquires mass transit facilities or
16 services may contract with any person or corporation or
17 public or private entity for the operation or provision
18 thereof upon such terms and conditions as the District shall
19 determine.

20 (d) The Board of Trustees of every District shall have
21 the authority to contract for any and all purposes of the
22 District, including with an interstate transportation
23 authority, or with another local Mass Transit District or any
24 other municipal, public, or private corporation entity in the
25 transportation business including the authority to contract
26 to lease its or otherwise provide land, buildings, and
27 equipment, and other related facilities, improvements, and
28 services, for the carriage of passengers beyond the
29 territorial limits of the District or to subsidize transit
30 operations by a public or private or municipal corporation
31 operating entity providing mass transit facilities.

32 (e) The Board of Trustees of every District shall have
33 the authority to establish, alter and discontinue
34 transportation routes and services and any or all ancillary

1 or supporting facilities and services, and to establish and
2 amend rate schedules for the transportation of persons
3 thereon or for the public or private use thereof which rate
4 schedules shall, together with any grants, receipts or income
5 from other sources, be sufficient to pay the expenses of the
6 District, the repair, maintenance and the safe and adequate
7 operation of its mass transit facilities and public mass
8 transportation system and to fulfill the terms of its debts,
9 undertakings, and obligations.

10 (f) The Board of Trustees of every District shall have
11 perpetual succession and shall have the following powers in
12 addition to any others in this Act granted:

13 (1) to sue and be sued;

14 (2) to adopt and use a seal;

15 (3) to make and execute contracts loans, leases,
16 subleases, installment purchase agreements, contracts,
17 notes and other instruments evidencing financial
18 obligations, and other instruments necessary or
19 convenient in the exercise of its powers;

20 (4) to make, amend and repeal bylaws, rules and
21 regulations not inconsistent with this Act;

22 (5) to sell, lease, sublease, license, transfer,
23 convey or otherwise and dispose of any of its real or
24 personal property, or interests interest therein, in
25 whole or in part, at any time upon such terms and
26 conditions as it may determine, with public bidding if
27 the value exceeds \$1,000 at negotiated, competitive,
28 public, or private sale;

29 (6) to invest funds, not required for immediate
30 disbursement, in property, agreements, or securities
31 legal for investment of public funds controlled by
32 savings banks under applicable law;

33 (7) to mortgage, pledge, hypothecate or otherwise
34 encumber all or any part of its real or personal property

1 or other assets, or interests therein;

2 (8) to apply for, accept and use grants, loans or
3 other financial assistance from any private entity or
4 municipal, county, State or Federal governmental agency
5 or other public entity;

6 (9) to borrow money from the United States
7 Government or any agency thereof, or from any other
8 public or private source, for the purposes of the
9 District and, as evidence thereof, to issue its revenue
10 bonds, payable solely from the revenue derived from the
11 operation of the District. These bonds may be issued with
12 maturities not exceeding 40 years from the date of the
13 bonds, and in such amounts as may be necessary to provide
14 sufficient funds, together with interest, for the
15 purposes of the District. These bonds shall bear interest
16 at a rate of not more than the maximum rate authorized by
17 the Bond Authorization Act, as amended at the time of the
18 making of the contract of sale, payable semi-annually,
19 may be made registerable as to principal, and may be made
20 payable and callable as provided on any interest payment
21 date at a price of par and accrued interest under such
22 terms and conditions as may be fixed by the ordinance
23 authorizing the issuance of the bonds. Bonds issued under
24 this Section are negotiable instruments. They shall be
25 executed by the chairman and members of the Board of
26 Trustees, attested by the secretary, and shall be sealed
27 with the corporate seal of the District. In case any
28 Trustee or officer whose signature appears on the bonds
29 or coupons ceases to hold that office before the bonds
30 are delivered, such officer's his signature, shall
31 nevertheless be valid and sufficient for all purposes,
32 the same as though such officer he had remained in office
33 until the bonds were delivered. The bonds shall be sold
34 in such manner and upon such terms as the Board of

1 Trustees shall determine, except that the selling price
 2 shall be such that the interest cost to the District of
 3 the proceeds of the bonds shall not exceed the maximum
 4 rate authorized by the Bond Authorization Act, as amended
 5 at the time of the making of the contract of sale,
 6 payable semi-annually, computed to maturity according to
 7 the standard table of bond values.

8 The ordinance shall fix the amount of revenue bonds
 9 proposed to be issued, the maturity or maturities, the
 10 interest rate, which shall not exceed the maximum rate
 11 authorized by the Bond Authorization Act, as amended at
 12 the time of the making of the contract of sale, and all
 13 the details in connection with the bonds. The ordinance
 14 may contain such covenants and restrictions upon the
 15 issuance of additional revenue bonds thereafter, which
 16 will share equally in the revenue of the District, as may
 17 be deemed necessary or advisable for the assurance of the
 18 payment of the bonds first issued. Any District may also
 19 provide in the ordinance authorizing the issuance of
 20 bonds under this Section that the bonds, or such ones
 21 thereof as may be specified, shall, to the extent and in
 22 the manner prescribed, be subordinated and be junior in
 23 standing, with respect to the payment of principal and
 24 interest and the security thereof, to such other bonds as
 25 are designated in the ordinance.

26 The ordinance shall pledge the revenue derived from
 27 the operations ~~operation~~ of the District for the purpose
 28 of paying the cost of operation and maintenance of the
 29 District, and, as applicable, providing an adequate
 30 depreciation funds ~~fund~~, and paying the principal of and
 31 interest on the bonds of the District issued under this
 32 Section.

33 ~~No--Metro--East--Mass--Transit--District--may--issue~~
 34 ~~revenue--bonds--under--this--subparagraph--(9)--unless--the~~

1 question-of-the-issuance-of-such-bonds-is-first-submitted
2 to-and-approved-by--the--voters--of--the--District--at--a
3 referendum---within---the---District.---Notice--of--such
4 referendum-shall-be-given--and--the--election--shall--be
5 conducted-in-accordance-with-the-general-election-law.

6 (10) subject to Section 5.1, to levy a tax on
7 property within the District at the rate of not to exceed
8 .25% on the assessed value of such property in the manner
9 provided in "The Illinois Municipal Budget Law", approved
10 July 12, 1937, as amended;

11 (11) to issue tax anticipation warrants;

12 (12) to contract with any school district in this
13 State to provide for the transportation of pupils to and
14 from school within such district pursuant to the
15 provisions of Section 29-15 of the School Code;

16 (13) to provide for the insurance of any property,
17 directors, officers, employees or operations of the
18 District against any risk or hazard, and to self-insure
19 or participate in joint self-insurance pools or entities
20 to insure against such risk or hazard;

21 (14) to use its established funds, personnel, and
22 other resources to acquire, construct, operate, and
23 maintain bikeways and trails. Districts may cooperate
24 with other governmental and private agencies in bikeway
25 and trail programs; and

26 (15) to acquire, own, maintain, construct,
27 reconstruct, improve, repair, operate or lease any
28 light-rail public transportation system, terminal,
29 terminal facility, public airport, or bridge or toll
30 bridge across waters with any city, state, or both.

31 With respect to instruments for the payment of money
32 issued under this Section either before, on, or after the
33 effective date of this amendatory Act of 1989, it is and
34 always has been the intention of the General Assembly (i)

1 that the Omnibus Bond Acts are and always have been
2 supplementary grants of power to issue instruments in
3 accordance with the Omnibus Bond Acts, regardless of any
4 provision of this Act that may appear to be or to have been
5 more restrictive than those Acts, (ii) that the provisions of
6 this Section are not a limitation on the supplementary
7 authority granted by the Omnibus Bond Acts, and (iii) that
8 instruments issued under this Section within the
9 supplementary authority granted by the Omnibus Bond Acts are
10 not invalid because of any provision of this Act that may
11 appear to be or to have been more restrictive than those
12 Acts.

13 This Section shall be liberally construed to give effect
14 to its purposes.

15 (Source: P.A. 87-985; 88-115.)

16 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

17 Sec. 5.01. Metro East Mass Transit District; use and
18 occupation taxes.

19 (a) The Board of Trustees of any Metro East Mass Transit
20 District may, by ordinance adopted with the concurrence of
21 two-thirds of the then trustees, impose throughout the
22 District any or all of the taxes and fees provided in this
23 Section. All taxes and fees imposed under this Section shall
24 be used only for public mass transportation systems, and the
25 amount used to provide mass transit service to unserved areas
26 of the District shall be in the same proportion to the total
27 proceeds as the number of persons residing in the unserved
28 areas is to the total population of the District. Except as
29 otherwise provided in this Act, taxes imposed under this
30 Section and civil penalties imposed incident thereto shall be
31 collected and enforced by the State Department of Revenue.
32 The Department shall have the power to administer and enforce
33 the taxes and to determine all rights for refunds for

1 erroneous payments of the taxes.

2 (b) The Board may impose a Metro East Mass Transit
3 District Retailers' Occupation Tax upon all persons engaged
4 in the business of selling tangible personal property at
5 retail in the district at a rate of 1/4 of 1%, or as
6 authorized under subsection (d-5) of this Section, of the
7 gross receipts from the sales made in the course of such
8 business within the district. The tax imposed under this
9 Section and all civil penalties that may be assessed as an
10 incident thereof shall be collected and enforced by the State
11 Department of Revenue. The Department shall have full power
12 to administer and enforce this Section; to collect all taxes
13 and penalties so collected in the manner hereinafter
14 provided; and to determine all rights to credit memoranda
15 arising on account of the erroneous payment of tax or penalty
16 hereunder. In the administration of, and compliance with,
17 this Section, the Department and persons who are subject to
18 this Section shall have the same rights, remedies,
19 privileges, immunities, powers and duties, and be subject to
20 the same conditions, restrictions, limitations, penalties,
21 exclusions, exemptions and definitions of terms and employ
22 the same modes of procedure, as are prescribed in Sections 1,
23 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect
24 to all provisions therein other than the State rate of tax),
25 2c, 3 (except as to the disposition of taxes and penalties
26 collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l,
27 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the
28 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
29 Penalty and Interest Act, as fully as if those provisions
30 were set forth herein.

31 Persons subject to any tax imposed under the Section may
32 reimburse themselves for their seller's tax liability
33 hereunder by separately stating the tax as an additional
34 charge, which charge may be stated in combination, in a

1 single amount, with State taxes that sellers are required to
2 collect under the Use Tax Act, in accordance with such
3 bracket schedules as the Department may prescribe.

4 Whenever the Department determines that a refund should
5 be made under this Section to a claimant instead of issuing a
6 credit memorandum, the Department shall notify the State
7 Comptroller, who shall cause the warrant to be drawn for the
8 amount specified, and to the person named, in the
9 notification from the Department. The refund shall be paid
10 by the State Treasurer out of the Metro East Mass Transit
11 District tax fund established under paragraph (g) of this
12 Section.

13 If a tax is imposed under this subsection (b), a tax
14 shall also be imposed under subsections (c) and (d) of this
15 Section.

16 For the purpose of determining whether a tax authorized
17 under this Section is applicable, a retail sale, by a
18 producer of coal or other mineral mined in Illinois, is a
19 sale at retail at the place where the coal or other mineral
20 mined in Illinois is extracted from the earth. This
21 paragraph does not apply to coal or other mineral when it is
22 delivered or shipped by the seller to the purchaser at a
23 point outside Illinois so that the sale is exempt under the
24 Federal Constitution as a sale in interstate or foreign
25 commerce.

26 Nothing in this Section shall be construed to authorize
27 the Metro East Mass Transit District to impose a tax upon the
28 privilege of engaging in any business which under the
29 Constitution of the United States may not be made the subject
30 of taxation by this State.

31 (c) If a tax has been imposed under subsection (b), a
32 Metro East Mass Transit District Service Occupation Tax shall
33 also be imposed upon all persons engaged, in the district, in
34 the business of making sales of service, who, as an incident

1 to making those sales of service, transfer tangible personal
2 property within the District, either in the form of tangible
3 personal property or in the form of real estate as an
4 incident to a sale of service. The tax rate shall be 1/4%, or
5 as authorized under subsection (d-5) of this Section, of the
6 selling price of tangible personal property so transferred
7 within the district. The tax imposed under this paragraph
8 and all civil penalties that may be assessed as an incident
9 thereof shall be collected and enforced by the State
10 Department of Revenue. The Department shall have full power
11 to administer and enforce this paragraph; to collect all
12 taxes and penalties due hereunder; to dispose of taxes and
13 penalties so collected in the manner hereinafter provided;
14 and to determine all rights to credit memoranda arising on
15 account of the erroneous payment of tax or penalty hereunder.
16 In the administration of, and compliance with this paragraph,
17 the Department and persons who are subject to this paragraph
18 shall have the same rights, remedies, privileges, immunities,
19 powers and duties, and be subject to the same conditions,
20 restrictions, limitations, penalties, exclusions, exemptions
21 and definitions of terms and employ the same modes of
22 procedure as are prescribed in Sections 1a-1, 2 (except that
23 the reference to State in the definition of supplier
24 maintaining a place of business in this State shall mean the
25 Authority), 2a, 3 through 3-50 (in respect to all provisions
26 therein other than the State rate of tax), 4 (except that the
27 reference to the State shall be to the Authority), 5, 7, 8
28 (except that the jurisdiction to which the tax shall be a
29 debt to the extent indicated in that Section 8 shall be the
30 District), 9 (except as to the disposition of taxes and
31 penalties collected, and except that the returned merchandise
32 credit for this tax may not be taken against any State tax),
33 10, 11, 12 (except the reference therein to Section 2b of the
34 Retailers' Occupation Tax Act), 13 (except that any reference

1 to the State shall mean the District), the first paragraph of
2 Section 15, 16, 17, 18, 19 and 20 of the Service Occupation
3 Tax Act and Section 3-7 of the Uniform Penalty and Interest
4 Act, as fully as if those provisions were set forth herein.

5 Persons subject to any tax imposed under the authority
6 granted in this paragraph may reimburse themselves for their
7 serviceman's tax liability hereunder by separately stating
8 the tax as an additional charge, which charge may be stated
9 in combination, in a single amount, with State tax that
10 servicemen are authorized to collect under the Service Use
11 Tax Act, in accordance with such bracket schedules as the
12 Department may prescribe.

13 Whenever the Department determines that a refund should
14 be made under this paragraph to a claimant instead of issuing
15 a credit memorandum, the Department shall notify the State
16 Comptroller, who shall cause the warrant to be drawn for the
17 amount specified, and to the person named, in the
18 notification from the Department. The refund shall be paid
19 by the State Treasurer out of the Metro East Mass Transit
20 District tax fund established under paragraph (g) of this
21 Section.

22 Nothing in this paragraph shall be construed to authorize
23 the District to impose a tax upon the privilege of engaging
24 in any business which under the Constitution of the United
25 States may not be made the subject of taxation by the State.

26 (d) If a tax has been imposed under subsection (b), a
27 Metro East Mass Transit District Use Tax shall also be
28 imposed upon the privilege of using, in the district, any
29 item of tangible personal property that is purchased outside
30 the district at retail from a retailer, and that is titled or
31 registered with an agency of this State's government, at a
32 rate of 1/4%, or as authorized under subsection (d-5) of this
33 Section, of the selling price of the tangible personal
34 property within the District, as "selling price" is defined

1 in the Use Tax Act. The tax shall be collected from persons
2 whose Illinois address for titling or registration purposes
3 is given as being in the District. The tax shall be
4 collected by the Department of Revenue for the Metro East
5 Mass Transit District. The tax must be paid to the State, or
6 an exemption determination must be obtained from the
7 Department of Revenue, before the title or certificate of
8 registration for the property may be issued. The tax or
9 proof of exemption may be transmitted to the Department by
10 way of the State agency with which, or the State officer with
11 whom, the tangible personal property must be titled or
12 registered if the Department and the State agency or State
13 officer determine that this procedure will expedite the
14 processing of applications for title or registration.

15 The Department shall have full power to administer and
16 enforce this paragraph; to collect all taxes, penalties and
17 interest due hereunder; to dispose of taxes, penalties and
18 interest so collected in the manner hereinafter provided; and
19 to determine all rights to credit memoranda or refunds
20 arising on account of the erroneous payment of tax, penalty
21 or interest hereunder. In the administration of, and
22 compliance with, this paragraph, the Department and persons
23 who are subject to this paragraph shall have the same rights,
24 remedies, privileges, immunities, powers and duties, and be
25 subject to the same conditions, restrictions, limitations,
26 penalties, exclusions, exemptions and definitions of terms
27 and employ the same modes of procedure, as are prescribed in
28 Sections 2 (except the definition of "retailer maintaining a
29 place of business in this State"), 3 through 3-80 (except
30 provisions pertaining to the State rate of tax, and except
31 provisions concerning collection or refunding of the tax by
32 retailers), 4, 11, 12, 12a, 14, 15, 19 (except the portions
33 pertaining to claims by retailers and except the last
34 paragraph concerning refunds), 20, 21 and 22 of the Use Tax

1 Act and Section 3-7 of the Uniform Penalty and Interest Act,
2 that are not inconsistent with this paragraph, as fully as if
3 those provisions were set forth herein.

4 Whenever the Department determines that a refund should
5 be made under this paragraph to a claimant instead of issuing
6 a credit memorandum, the Department shall notify the State
7 Comptroller, who shall cause the order to be drawn for the
8 amount specified, and to the person named, in the
9 notification from the Department. The refund shall be paid by
10 the State Treasurer out of the Metro East Mass Transit
11 District tax fund established under paragraph (g) of this
12 Section.

13 (d-5) (A) The county board of any county participating
14 in the Metro East Mass Transit District may authorize, by
15 ordinance, a referendum on the question of whether the tax
16 rates for the Metro East Mass Transit District Retailers'
17 Occupation Tax, the Metro East Mass Transit District Service
18 Occupation Tax, and the Metro East Mass Transit District Use
19 Tax for the District should be increased from 0.25% to 0.75%.
20 Upon adopting the ordinance, the county board shall certify
21 the proposition to the proper election officials who shall
22 submit the proposition to the voters of the District at the
23 next election, in accordance with the general election law.

24 The proposition shall be in substantially the following
25 form:

26 Shall the tax rates for the Metro East Mass Transit
27 District Retailers' Occupation Tax, the Metro East Mass
28 Transit District Service Occupation Tax, and the Metro
29 East Mass Transit District Use Tax be increased from
30 0.25% to 0.75%?

31 (B) Two thousand five hundred electors of any Metro East
32 Mass Transit District may petition the Chief Judge of the
33 Circuit Court, or any judge of that Circuit designated by the
34 Chief Judge, in which that District is located to cause to be

1 submitted to a vote of the electors the question whether the
2 tax rates for the Metro East Mass Transit District Retailers'
3 Occupation Tax, the Metro East Mass Transit District Service
4 Occupation Tax, and the Metro East Mass Transit District Use
5 Tax for the District should be increased from 0.25% to 0.75%.

6 Upon submission of such petition the court shall set a
7 date not less than 10 nor more than 30 days thereafter for a
8 hearing on the sufficiency thereof. Notice of the filing of
9 such petition and of such date shall be given in writing to
10 the District and the County Clerk at least 7 days before the
11 date of such hearing.

12 If such petition is found sufficient, the court shall
13 enter an order to submit that proposition at the next
14 election, in accordance with general election law.

15 The form of the petition shall be in substantially the
16 following form: To the Circuit Court of the County of (name
17 of county):

18 We, the undersigned electors of the (name of transit
19 district), respectfully petition your honor to submit to
20 a vote of the electors of (name of transit district) the
21 following proposition:

22 Shall the tax rates for the Metro East Mass Transit
23 District Retailers' Occupation Tax, the Metro East Mass
24 Transit District Service Occupation Tax, and the Metro
25 East Mass Transit District Use Tax be increased from
26 0.25% to 0.75%?

27 Name Address, with Street and Number.
28
29

30 (C) The votes shall be recorded as "YES" or "NO". If a
31 majority of all votes cast on the proposition are for the
32 increase in the tax rates, the Metro East Mass Transit
33 District shall begin imposing the increased rates in the
34 District, and the Department of Revenue shall begin

1 collecting the increased amounts, as provided under this
2 Section. An ordinance imposing or discontinuing a tax
3 hereunder or effecting a change in the rate thereof shall be
4 adopted and a certified copy thereof filed with the
5 Department on or before the first day of October, whereupon
6 the Department shall proceed to administer and enforce this
7 Section as of the first day of January next following the
8 adoption and filing.

9 (D) If the voters have approved a referendum under this
10 subsection, before November 1, 1994, to increase the tax rate
11 under this subsection, the Metro East Mass Transit District
12 Board of Trustees may adopt by a majority vote an ordinance
13 at any time before January 1, 1995 that excludes from the
14 rate increase tangible personal property that is titled or
15 registered with an agency of this State's government. The
16 ordinance excluding titled or registered tangible personal
17 property from the rate increase must be filed with the
18 Department at least 15 days before its effective date. At any
19 time after adopting an ordinance excluding from the rate
20 increase tangible personal property that is titled or
21 registered with an agency of this State's government, the
22 Metro East Mass Transit District Board of Trustees may adopt
23 an ordinance applying the rate increase to that tangible
24 personal property. The ordinance shall be adopted, and a
25 certified copy of that ordinance shall be filed with the
26 Department, on or before October 1, whereupon the Department
27 shall proceed to administer and enforce the rate increase
28 against tangible personal property titled or registered with
29 an agency of this State's government as of the following
30 January 1. After December 31, 1995, any reimposed rate
31 increase in effect under this subsection shall no longer
32 apply to tangible personal property titled or registered with
33 an agency of this State's government. Beginning January 1,
34 1996, the Board of Trustees of any Metro East Mass Transit

1 District may never reimpose a previously excluded tax rate
2 increase on tangible personal property titled or registered
3 with an agency of this State's government.

4 (d-6) If the Board of Trustees of any Metro East Mass
5 Transit District has imposed a rate increase under subsection
6 (d-5) and filed an ordinance with the Department of Revenue
7 excluding titled property from the higher rate, then that
8 Board may, by ordinance adopted with the concurrence of
9 two-thirds of the then trustees, impose throughout the
10 District a fee. The fee on the excluded property shall not
11 exceed \$20 per retail transaction or an amount equal to the
12 amount of tax excluded, whichever is less, on tangible
13 personal property that is titled or registered with an agency
14 of this State's government. ~~The Board of Trustees of any
15 Metro East Mass Transit District shall have full power to
16 administer and enforce this subsection and to determine all
17 rights to credit memoranda or refunds arising on account of
18 the erroneous payment of the fee hereunder. The Board shall
19 proceed to administer and enforce this subsection as of the
20 first day of the second month following the adoption of the
21 ordinance.~~

22 (d-7) If a fee has been imposed under subsection (d-6),
23 a fee shall also be imposed upon the privilege of using, in
24 the district, any item of tangible personal property that is
25 titled or registered with any agency of this State's
26 government, in an amount equal to the amount of the fee
27 imposed under subsection (d-6). ~~The Board of Trustees of any
28 Metro East Mass Transit District shall have full power to
29 administer and enforce this subsection and to determine all
30 rights to credit memoranda or refunds arising on account of
31 the erroneous payment of the fee hereunder. The Board shall
32 proceed to administer and enforce this subsection
33 concurrently with the administration of the fee imposed under
34 subsection (d-6).~~

1 (d-8) No item of titled property shall be subject to
2 both the higher rate approved by referendum, as authorized
3 under subsection (d-5), and any fee imposed under subsection
4 (d-6) or (d-7).

5 (d-9) If fees have been imposed under subsections (d-6)
6 and (d-7), the Board shall forward a copy of the ordinance
7 adopting such fees, which shall include all zip codes in
8 whole or in part within the boundaries of the district, to
9 the Secretary of State within thirty days. By the 25th of
10 each month, the Secretary of State shall subsequently provide
11 the Illinois Department of Revenue Board with a list of
12 identifiable retail transactions subject to the .25% rate
13 occurring within the zip codes which are in whole or in part
14 within the boundaries of the district and a list of title
15 applications for addresses within the boundaries of the
16 district for the previous month.

17 (d-10) In the event that a retailer fails to pay
18 applicable fees within 30 days of the date of the
19 transaction, a penalty shall be assessed at the rate of 25%
20 of the amount of fees. Interest on both late fees and
21 penalties shall be assessed at the rate of 1% per month. All
22 fees, penalties, and attorney fees shall constitute a lien on
23 the personal and real property of the retailer. ~~The Board of~~
24 ~~Trustees of any Metro-East Transit District shall have full~~
25 ~~power to administer and enforce this subsection.~~

26 (e) A certificate of registration issued by the State
27 Department of Revenue to a retailer under the Retailers'
28 Occupation Tax Act or under the Service Occupation Tax Act
29 shall permit the registrant to engage in a business that is
30 taxed under the tax imposed under paragraphs (b), (c) or (d)
31 of this Section and no additional registration shall be
32 required under the tax. A certificate issued under the Use
33 Tax Act or the Service Use Tax Act shall be applicable with
34 regard to any tax imposed under paragraph (c) of this

1 Section.

2 (f) The Board may impose a replacement vehicle tax of
3 \$50 on any passenger car, as defined in Section 1-157 of the
4 Illinois Vehicle Code, purchased within the district area by
5 or on behalf of an insurance company to replace a passenger
6 car of an insured person in settlement of a total loss claim.
7 The tax imposed may not become effective before the first day
8 of the month following the passage of the ordinance imposing
9 the tax and receipt of a certified copy of the ordinance by
10 the Department of Revenue. The Department of Revenue shall
11 collect the tax for the district in accordance with Sections
12 3-2002 and 3-2003 of the Illinois Vehicle Code.

13 The Department shall immediately pay over to the State
14 Treasurer, ex officio, as trustee, all taxes collected
15 hereunder. On or before the 25th day of each calendar month,
16 the Department shall prepare and certify to the Comptroller
17 the disbursement of stated sums of money to named districts,
18 the districts to be those from which retailers have paid
19 taxes or penalties hereunder to the Department during the
20 second preceding calendar month. The amount to be paid to
21 each district shall be the amount collected hereunder during
22 the second preceding calendar month by the Department, less
23 any amount determined by the Department to be necessary for
24 the payment of refunds. Within 10 days after receipt by the
25 Comptroller of the disbursement certification to the
26 districts, provided for in this Section to be given to the
27 Comptroller by the Department, the Comptroller shall cause
28 the orders to be drawn for the respective amounts in
29 accordance with the directions contained in the
30 certification.

31 (g) Any ordinance imposing or discontinuing any tax
32 under this Section shall be adopted and a certified copy
33 thereof filed with the Department on or before June 1,
34 whereupon the Department of Revenue shall proceed to

1 administer and enforce this Section on behalf of the Metro
2 East Mass Transit District as of September 1 next following
3 such adoption and filing. Beginning January 1, 1992, an
4 ordinance or resolution imposing or discontinuing the tax
5 hereunder shall be adopted and a certified copy thereof filed
6 with the Department on or before the first day of July,
7 whereupon the Department shall proceed to administer and
8 enforce this Section as of the first day of October next
9 following such adoption and filing. Beginning January 1,
10 1993, except as provided in subsection (d-5) of this Section,
11 an ordinance or resolution imposing or discontinuing the tax
12 hereunder shall be adopted and a certified copy thereof filed
13 with the Department on or before the first day of October,
14 whereupon the Department shall proceed to administer and
15 enforce this Section as of the first day of January next
16 following such adoption and filing.

17 (h) The State Department of Revenue shall, upon
18 collecting any taxes as provided in this Section, pay the
19 taxes over to the State Treasurer as trustee for the
20 District. The taxes shall be held in a trust fund outside the
21 State Treasury. On or before the 25th day of each calendar
22 month, the State Department of Revenue shall prepare and
23 certify to the Comptroller of the State of Illinois the
24 amount to be paid to the District, which shall be the then
25 balance in the fund, less any amount determined by the
26 Department to be necessary for the payment of refunds. Within
27 10 days after receipt by the Comptroller of the certification
28 of the amount to be paid to the District, the Comptroller
29 shall cause an order to be drawn for payment for the amount
30 in accordance with the direction in the certification.

31 (Source: P.A. 91-51, eff. 6-30-99.)

32 (70 ILCS 3610/8.1) (from Ch. 111 2/3, par. 358.1)

33 Sec. 8.1.

1 Any territory which is contiguous to a local mass transit
2 district organized under Section 3.1 of this Act and which is
3 not included in any local mass transit district may be
4 annexed to such contiguous local mass transit district in the
5 manner provided by this Section.

6 (a) If there are no legal voters residing in the
7 territory to be annexed, then upon written petition under
8 oath signed by all owners of record of the territory sought
9 to be annexed filed with the secretary of the Board of
10 Trustees requesting annexation, if the Board of Trustees
11 deems it to be in the best interests of the District, such
12 territory may be annexed to the District by an ordinance duly
13 enacted by the Board.

14 (b) A petition, signed by 2/3 of the legal voters
15 residing in the territory sought to be annexed and addressed
16 to the circuit court of the county in which the local mass
17 transit district to which annexation is sought was organized
18 requesting that the territory described in the petition be
19 annexed to such local mass transit district, may be filed
20 with the clerk of that court. The clerk of the court shall
21 thereupon present such petition to the court which shall be
22 not less than 20 nor more than 45 days after the date the
23 petition was filed. The court shall give notice of the time,
24 place and date of the hearing, by publication in one or more
25 newspapers having a general circulation within the local mass
26 transit district and within the territory sought to be
27 annexed thereto, which publication shall be made at least 15
28 days before the date set for the hearing.

29 (Source: P.A. 76-1292.)

30 (70 ILCS 3610/8.4 rep.)

31 Section 10. The Local Mass Transit District Act is
32 amended by repealing Section 8.4.