

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 5.595 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.