

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 Illinois State Auditing Act is amended by
5 adding Section 3-2.3 as follows:

6 (30 ILCS 5/3-2.3 new)

7 Sec. 3-2.3. Report on Chicago Transit Authority.

8 (a) No less than 60 days prior to the issuance of bonds or
9 notes by the Chicago Transit Authority (referred to as the
10 "Authority" in this Section) pursuant to Section 12c of the
11 Metropolitan Transit Authority Act, the following
12 documentation shall be submitted to the Auditor General and the
13 Regional Transportation Authority:

14 (1) Retirement Plan Documentation. The Authority shall
15 submit a certification that:

16 (A) it is legally authorized to issue the bonds or
17 notes;

18 (B) scheduled annual payments of principal and
19 interest on the bonds and notes to be issued meet the
20 requirements of Section 12c(b)(5) of the Metropolitan
21 Transit Authority Act;

22 (C) no bond or note shall mature later than
23 December 31, 2040;

1 (D) after payment of costs of issuance and
2 necessary deposits to funds and accounts established
3 with respect to debt service on the bonds or notes, the
4 net bond and note proceeds (exclusive of any proceeds
5 to be used to refund outstanding bonds or notes) will
6 be deposited in the Retirement Plan for Chicago Transit
7 Authority Employees and used only for the purposes
8 required by Section 22-101 of the Illinois Pension
9 Code; and

10 (E) it has entered into an intergovernmental
11 agreement with the City of Chicago under which the City
12 of Chicago will provide financial assistance to the
13 Authority in an amount equal to the net receipts, after
14 fees for costs of collection, from a tax on the
15 privilege of transferring title to real estate in the
16 City of Chicago in an amount up to \$1.50 per \$500 of
17 value or fraction thereof under the provisions of
18 Section 8-3-19 of the Illinois Municipal Code, which
19 agreement shall be for a term expiring no earlier than
20 the final maturity of bonds or notes that it proposes
21 to issue under Section 12c of the Metropolitan Transit
22 Authority Act.

23 (2) The Board of Trustees of the Retirement Plan for
24 Chicago Transit Authority Employees shall submit a
25 certification that the Retirement Plan for Chicago Transit
26 Authority Employees is operating in accordance with all

1 applicable legal and contractual requirements, including
2 the following:

3 (A) the members of a new Board of Trustees have
4 been appointed according to the requirements of
5 Section 22-101(b) of the Illinois Pension Code; and

6 (B) contribution levels for employees and the
7 Authority have been established according to the
8 requirements of Section 22-101(d) of the Illinois
9 Pension Code.

10 (3) Actuarial Report. The Board of Trustees of the
11 Retirement Plan for Chicago Transit Authority Employees
12 shall submit an actuarial report prepared by an enrolled
13 actuary setting forth:

14 (A) the method of valuation and the underlying
15 assumptions;

16 (B) a comparison of the debt service schedules of
17 the bonds or notes proposed to be issued to the
18 Retirement Plan's current unfunded actuarial accrued
19 liability amortization schedule, as required by
20 Section 22-101(e) of the Illinois Pension Code, using
21 the projected interest cost of the bond or note issue
22 as the discount rate to calculate the estimated net
23 present value savings;

24 (C) the amount of the estimated net present value
25 savings comparing the true interest cost of the bonds
26 or notes with the actuarial investment return

1 assumption of the Retirement Plan; and

2 (D) a certification that the net proceeds of the
3 bonds or notes, together with anticipated earnings on
4 contributions and deposits, will be sufficient to
5 reasonably conclude on an actuarial basis that the
6 total retirement assets of the Retirement Plan will not
7 be less than 90% of its liabilities by the end of
8 fiscal year 2059.

9 (4) The Authority shall submit a financial analysis
10 prepared by an independent advisor. The financial analysis
11 must include a determination that the issuance of bonds is
12 in the best interest of the Retirement Plan for Chicago
13 Transit Authority Employees and the Chicago Transit
14 Authority. The independent advisor shall not act as
15 underwriter or receive a legal, consulting, or other fee
16 related to the issuance of any bond or notes issued by the
17 Authority pursuant to Section 12c of the Metropolitan
18 Transit Authority Act except compensation due for the
19 preparation of the financial analysis.

20 (5) Retiree Health Care Trust Documentation. The
21 Authority shall submit a certification that:

22 (A) it is legally authorized to issue the bonds or
23 notes;

24 (B) scheduled annual payments of principal and
25 interest on the bonds and notes to be issued meets the
26 requirements of Section 12c(b)(5) of the Metropolitan

1 Transit Authority Act;

2 (C) no bond or note shall mature later than
3 December 31, 2040;

4 (D) after payment of costs of issuance and
5 necessary deposits to funds and accounts established
6 with respect to debt service on the bonds or notes, the
7 net bond and note proceeds (exclusive of any proceeds
8 to be used to refund outstanding bonds or notes) will
9 be deposited in the Retiree Health Care Trust and used
10 only for the purposes required by Section 22-101B of
11 the Illinois Pension Code; and

12 (E) it has entered into an intergovernmental
13 agreement with the City of Chicago under which the City
14 of Chicago will provide financial assistance to the
15 Authority in an amount equal to the net receipts, after
16 fees for costs of collection, from a tax on the
17 privilege of transferring title to real estate in the
18 City of Chicago in an amount up to \$1.50 per \$500 of
19 value or fraction thereof under the provisions of
20 Section 8-3-19 of the Illinois Municipal Code, which
21 agreement shall be for a term expiring no earlier than
22 the final maturity of bonds or notes that it proposes
23 to issue under Section 12c of the Metropolitan Transit
24 Authority Act.

25 (6) The Board of Trustees of the Retiree Health Care
26 Trust shall submit a certification that the Retiree Health

1 Care Trust has been established in accordance with all
2 applicable legal requirements, including the following:

3 (A) the Retiree Health Care Trust has been
4 established and a Trust document is in effect to govern
5 the Retiree Health Care Trust;

6 (B) the members of the Board of Trustees of the
7 Retiree Health Care Trust have been appointed
8 according to the requirements of Section 22-101B(b) (1)
9 of the Illinois Pension Code;

10 (C) a health care benefit program for eligible
11 retirees and their dependents and survivors has been
12 established by the Board of Trustees according to the
13 requirements of Section 22-101B(b) (2) of the Illinois
14 Pension Code;

15 (D) contribution levels have been established for
16 retirees, dependents and survivors according to the
17 requirements of Section 22-101B(b) (5) of the Illinois
18 Pension Code; and

19 (E) contribution levels have been established for
20 employees of the Authority according to the
21 requirements of Section 22-101B(b) (6) of the Illinois
22 Pension Code.

23 (7) Actuarial Report. The Board of Trustees of the
24 Retiree Health Care Trust shall submit an actuarial report
25 prepared by an enrolled actuary setting forth:

26 (A) the method of valuation and the underlying

1 assumptions;

2 (B) a comparison of the projected interest cost of
3 the bonds or notes proposed to be issued with the
4 actuarial investment return assumption of the Retiree
5 Health Care Trust; and

6 (C) a certification that the net proceeds of the
7 bonds or notes, together with anticipated earnings on
8 contributions and deposits, will be sufficient to
9 adequately fund the actuarial present value of
10 projected benefits expected to be paid under the
11 Retiree Health Care Trust, or a certification of the
12 increases in contribution levels and decreases in
13 benefit levels that would be required in order to cure
14 any funding shortfall over a period of not more than 10
15 years.

16 (8) The Authority shall submit a financial analysis
17 prepared by an independent advisor. The financial analysis
18 must include a determination that the issuance of bonds is
19 in the best interest of the Retiree Health Care Trust and
20 the Chicago Transit Authority. The independent advisor
21 shall not act as underwriter or receive a legal,
22 consulting, or other fee related to the issuance of any
23 bond or notes issued by the Authority pursuant to Section
24 12c of the Metropolitan Transit Authority Act except
25 compensation due for the preparation of the financial
26 analysis.

1 (b) The Auditor General shall examine the information
2 submitted pursuant to Section 3-2.3(a)(1) through (4) and
3 submit a report to the General Assembly, the Legislative Audit
4 Commission, the Governor, the Regional Transportation
5 Authority and the Authority indicating whether (i) the required
6 certifications by the Authority and the Board of Trustees of
7 the Retirement Plan have been made, and (ii) the actuarial
8 reports have been provided, the reports include all required
9 information, the assumptions underlying those reports are not
10 unreasonable in the aggregate, and the reports appear to comply
11 with all pertinent professional standards, including those
12 issued by the Actuarial Standards Board. The Auditor General
13 shall submit such report no later than 60 days after receiving
14 the information required to be submitted by the Authority and
15 the Board of Trustees of the Retirement Plan. Any bonds or
16 notes issued by the Authority under item (1) of subsection (b)
17 of Section 12c of the Metropolitan Transit Authority Act shall
18 be issued within 120 days after receiving such report from the
19 Auditor General. The Authority may not issue bonds or notes
20 until it receives the report from the Auditor General
21 indicating the above requirements have been met.

22 (c) The Auditor General shall examine the information
23 submitted pursuant to Section 3-2.3(a)(5) through (8) and
24 submit a report to the General Assembly, the Legislative Audit
25 Commission, the Governor, the Regional Transportation
26 Authority and the Authority indicating whether (i) the required

1 certifications by the Authority and the Board of Trustees of
2 the Retiree Health Care Trust have been made, and (ii) the
3 actuarial reports have been provided, the reports include all
4 required information, the assumptions underlying those reports
5 are not unreasonable in the aggregate, and the reports appear
6 to comply with all pertinent professional standards, including
7 those issued by the Actuarial Standards Board. The Auditor
8 General shall submit such report no later than 60 days after
9 receiving the information required to be submitted by the
10 Authority and the Board of Trustees of the Retiree Health Care
11 Trust. Any bonds or notes issued by the Authority under item
12 (2) of subsection (b) of Section 12c of the Metropolitan
13 Transit Authority Act shall be issued within 120 days after
14 receiving such report from the Auditor General. The Authority
15 may not issue bonds or notes until it receives a report from
16 the Auditor General indicating the above requirements have been
17 met.

18 (d) In fulfilling this duty, after receiving the
19 information submitted pursuant to Section 3-2.3(a), the
20 Auditor General may request additional information and support
21 pertaining to the data and conclusions contained in the
22 submitted documents and the Authority, the Board of Trustees of
23 the Retirement Plan and the Board of Trustees of the Retiree
24 Health Care Trust shall cooperate with the Auditor General and
25 provide additional information as requested in a timely manner.
26 The Auditor General may also request from the Regional

1 Transportation Authority an analysis of the information
2 submitted by the Authority relating to the sources of funds to
3 be utilized for payment of the proposed bonds or notes of the
4 Authority. The Auditor General's report shall not be in the
5 nature of a post-audit or examination and shall not lead to the
6 issuance of an opinion as that term is defined in generally
7 accepted government auditing standards.

8 (e) Annual Retirement Plan Submission to Auditor General.
9 The Board of Trustees of the Retirement Plan for Chicago
10 Transit Authority Employees established by Section 22-101 of
11 the Illinois Pension Code shall provide the following documents
12 to the Auditor General annually no later than September 30:

13 (1) the most recent audit or examination of the
14 Retirement Plan;

15 (2) an annual statement containing the information
16 specified in Section 1A-109 of the Illinois Pension Code;
17 and

18 (3) a complete actuarial statement applicable to the
19 prior plan year, which may be the annual report of an
20 enrolled actuary retained by the Retirement Plan specified
21 in Section 22-101(e) of the Illinois Pension Code.

22 The Auditor General shall annually examine the information
23 provided pursuant to this subsection and shall submit a report
24 of the analysis thereof to the General Assembly, including the
25 report specified in Section 22-101(e) of the Illinois Pension
26 Code.

1 (f) The Auditor General shall annually examine the
2 information submitted pursuant to Section 22-101B(b)(3)(iii)
3 of the Illinois Pension Code and shall prepare the
4 determination specified in Section 22-101B(b)(3)(iv) of the
5 Illinois Pension Code.

6 (g) In fulfilling the duties under Sections 3-2.3(e) and
7 (f) the Auditor General may request additional information and
8 support pertaining to the data and conclusions contained in the
9 submitted documents and the Authority, the Board of Trustees of
10 the Retirement Plan and the Board of Trustees of the Retiree
11 Health Care Trust shall cooperate with the Auditor General and
12 provide additional information as requested in a timely manner.
13 The Auditor General's review shall not be in the nature of a
14 post-audit or examination and shall not lead to the issuance of
15 an opinion as that term is defined in generally accepted
16 government auditing standards. Upon request of the Auditor
17 General, the Commission on Government Forecasting and
18 Accountability and the Public Pension Division of the Illinois
19 Department of Financial and Professional Regulation shall
20 cooperate with and assist the Auditor General in the conduct of
21 his review.

22 (h) The Auditor General shall submit a bill to the
23 Authority for costs associated with the examinations and
24 reports specified in subsections (b) and (c) of this Section
25 3-2.3, which the Authority shall reimburse in a timely manner.
26 The costs associated with the examinations and reports which

1 are reimbursed by the Authority shall constitute a cost of
2 issuance of the bonds or notes under Section 12c(b)(1) and (2)
3 of the Metropolitan Transit Authority Act. The amount received
4 shall be deposited into the fund or funds from which such costs
5 were paid by the Auditor General. The Auditor General shall
6 submit a bill to the Retirement Plan for Chicago Transit
7 Authority Employees for costs associated with the examinations
8 and reports specified in subsection (e) of this Section, which
9 the Retirement Plan for Chicago Transit Authority Employees
10 shall reimburse in a timely manner. The amount received shall
11 be deposited into the fund or funds from which such costs were
12 paid by the Auditor General. The Auditor General shall submit a
13 bill to the Retiree Health Care Trust for costs associated with
14 the determination specified in subsection (f) of this Section,
15 which the Retiree Health Care Trust shall reimburse in a timely
16 manner. The amount received shall be deposited into the fund or
17 funds from which such costs were paid by the Auditor General.

18 Section 6. The State Finance Act is amended by adding
19 Section 5.708 and by changing Section 6z-17 as follows:

20 (30 ILCS 105/5.708 new)

21 Sec. 5.708. The Downstate Transit Improvement Fund.

22 (30 ILCS 105/6z-17) (from Ch. 127, par. 142z-17)

23 Sec. 6z-17. Of the money paid into the State and Local

1 Sales Tax Reform Fund: (i) subject to appropriation to the
 2 Department of Revenue, Municipalities having 1,000,000 or more
 3 inhabitants shall receive 20% and may expend such amount to
 4 fund and establish a program for developing and coordinating
 5 public and private resources targeted to meet the affordable
 6 housing needs of low-income and very low-income households
 7 within such municipality, (ii) 10% shall be transferred into
 8 the Regional Transportation Authority Occupation and Use Tax
 9 Replacement Fund, a special fund in the State treasury which is
 10 hereby created, (iii) subject to appropriation to the
 11 Department of Transportation, The Madison County ~~Metro East~~
 12 Mass Transit District shall receive .6%, (iv) the following
 13 amounts, plus any cumulative deficiency in such transfers for
 14 prior months, shall be transferred monthly into the Build
 15 Illinois Fund and credited to the Build Illinois Bond Account
 16 therein:

| 17 Fiscal Year | Amount |
|----------------|-------------|
| 18 1990 | \$2,700,000 |
| 19 1991 | 1,850,000 |
| 20 1992 | 2,750,000 |
| 21 1993 | 2,950,000 |

22 From Fiscal Year 1994 through Fiscal Year 2025 the transfer
 23 shall total \$3,150,000 monthly, plus any cumulative deficiency
 24 in such transfers for prior months, and (v) the remainder of
 25 the money paid into the State and Local Sales Tax Reform Fund
 26 shall be transferred into the Local Government Distributive

1 Fund and, except for municipalities with 1,000,000 or more
2 inhabitants which shall receive no portion of such remainder,
3 shall be distributed, subject to appropriation, in the manner
4 provided by Section 2 of "An Act in relation to State revenue
5 sharing with local government entities", approved July 31,
6 1969, as now or hereafter amended. Municipalities with more
7 than 50,000 inhabitants according to the 1980 U.S. Census and
8 located within the Metro East Mass Transit District receiving
9 funds pursuant to provision (v) of this paragraph may expend
10 such amounts to fund and establish a program for developing and
11 coordinating public and private resources targeted to meet the
12 affordable housing needs of low-income and very low-income
13 households within such municipality.

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

15 Section 7. The Downstate Public Transportation Act is
16 amended by changing Sections 2-2.04, 2-3, 2-6, 2-7, and 2-15
17 and by adding Section 2-15.2 as follows:

18 (30 ILCS 740/2-2.04) (from Ch. 111 2/3, par. 662.04)

19 Sec. 2-2.04. "Eligible operating expenses" means all
20 expenses required for public transportation, including
21 employee wages and benefits, materials, fuels, supplies,
22 rental of facilities, taxes other than income taxes, payment
23 made for debt service (including principal and interest) on
24 publicly owned equipment or facilities, and any other

1 expenditure which is an operating expense according to standard
2 accounting practices for the providing of public
3 transportation. Eligible operating expenses shall not include
4 allowances: (a) for depreciation whether funded or unfunded;
5 (b) for amortization of any intangible costs; (c) for debt
6 service on capital acquired with the assistance of capital
7 grant funds provided by the State of Illinois; (d) for profits
8 or return on investment; (e) for excessive payment to
9 associated entities; (f) for Comprehensive Employment Training
10 Act expenses; (g) for costs reimbursed under Sections 6 and 8
11 of the "Urban Mass Transportation Act of 1964", as amended; (h)
12 for entertainment expenses; (i) for charter expenses; (j) for
13 fines and penalties; (k) for charitable donations; (l) for
14 interest expense on long term borrowing and debt retirement
15 other than on publicly owned equipment or facilities; (m) for
16 income taxes; or (n) for such other expenses as the Department
17 may determine consistent with federal Department of
18 Transportation regulations or requirements. In consultation
19 with participants, the Department shall, by October 2008,
20 promulgate or update rules, pursuant to the Illinois
21 Administrative Procedure Act, concerning eligible expenses to
22 ensure consistent application of the Act, and the Department
23 shall provide written copies of those rules to all eligible
24 recipients. The Department shall review this process in the
25 same manner no less frequently than every 5 years.

26 With respect to participants other than any Metro-East

1 Transit District participant and those receiving federal
2 research development and demonstration funds pursuant to
3 Section 6 of the "Urban Mass Transportation Act of 1964", as
4 amended, during the fiscal year ending June 30, 1979, the
5 maximum eligible operating expenses for any such participant in
6 any fiscal year after Fiscal Year 1980 shall be the amount
7 appropriated for such participant for the fiscal year ending
8 June 30, 1980, plus in each year a 10% increase over the
9 maximum established for the preceding fiscal year. For Fiscal
10 Year 1980 the maximum eligible operating expenses for any such
11 participant shall be the amount of projected operating expenses
12 upon which the appropriation for such participant for Fiscal
13 Year 1980 is based.

14 With respect to participants receiving federal research
15 development and demonstration operating assistance funds for
16 operating assistance pursuant to Section 6 of the "Urban Mass
17 Transportation Act of 1964", as amended, during the fiscal year
18 ending June 30, 1979, the maximum eligible operating expenses
19 for any such participant in any fiscal year after Fiscal Year
20 1980 shall not exceed such participant's eligible operating
21 expenses for the fiscal year ending June 30, 1980, plus in each
22 year a 10% increase over the maximum established for the
23 preceding fiscal year. For Fiscal Year 1980, the maximum
24 eligible operating expenses for any such participant shall be
25 the eligible operating expenses incurred during such fiscal
26 year, or projected operating expenses upon which the

1 appropriation for such participant for the Fiscal Year 1980 is
2 based; whichever is less.

3 With respect to all participants other than any Metro-East
4 Transit District participant, the maximum eligible operating
5 expenses for any such participant in any fiscal year after
6 Fiscal Year 1985 (except Fiscal Year 2008 and Fiscal Year 2009)
7 shall be the amount appropriated for such participant for the
8 fiscal year ending June 30, 1985, plus in each year a 10%
9 increase over the maximum established for the preceding year.
10 For Fiscal Year 1985, the maximum eligible operating expenses
11 for any such participant shall be the amount of projected
12 operating expenses upon which the appropriation for such
13 participant for Fiscal Year 1985 is based.

14 With respect to any mass transit district participant that
15 has increased its district boundaries by annexing counties
16 since 1998 and is maintaining a level of local financial
17 support, including all income and revenues, equal to or greater
18 than the level in the State fiscal year ending June 30, 2001,
19 the maximum eligible operating expenses for any State fiscal
20 year after 2002 (except State fiscal years ~~year~~ 2006 through
21 2009) shall be the amount appropriated for that participant for
22 the State fiscal year ending June 30, 2002, plus, in each State
23 fiscal year, a 10% increase over the preceding State fiscal
24 year. For State fiscal year 2002, the maximum eligible
25 operating expenses for any such participant shall be the amount
26 of projected operating expenses upon which the appropriation

1 for that participant for State fiscal year 2002 is based. For
2 that participant, eligible operating expenses for State fiscal
3 year 2002 in excess of the eligible operating expenses for the
4 State fiscal year ending June 30, 2001, plus 10%, must be
5 attributed to the provision of services in the newly annexed
6 counties.

7 With respect to a participant that receives an initial
8 appropriation in State fiscal year 2002 or thereafter, the
9 maximum eligible operating expenses for any State fiscal year
10 after 2003 (except State fiscal years ~~year~~ 2006 through 2009)
11 shall be the amount appropriated for that participant for the
12 State fiscal year in which it received its initial
13 appropriation, plus, in each year, a 10% increase over the
14 preceding year. For the initial State fiscal year in which a
15 participant received an appropriation, the maximum eligible
16 operating expenses for any such participant shall be the amount
17 of projected operating expenses upon which the appropriation
18 for that participant for that State fiscal year is based.

19 With respect to the District serving primarily the counties
20 of Monroe and St. Clair, beginning July 1, 2005, the St. Clair
21 County Transit District shall no longer be included for new
22 appropriation funding purposes as part of the Metro-East Public
23 Transportation Fund and instead shall be included for new
24 appropriation funding purposes as part of the Downstate Public
25 Transportation Fund; provided, however, that nothing herein
26 shall alter the eligibility of that District for previously

1 appropriated funds to which it would otherwise be entitled.

2 With respect to the District serving primarily Madison
3 County, beginning July 1, 2008, the Madison County Transit
4 District shall no longer be included for new appropriation
5 funding purposes as part of the Metro-East Public
6 Transportation Fund and instead shall be included for new
7 appropriation funding purposes as part of the Downstate Public
8 Transportation Fund; provided, however, that nothing herein
9 shall alter the eligibility of that District for previously
10 appropriated funds to which it would otherwise be entitled.

11 With respect to the fiscal year beginning July 1, 2007, and
12 thereafter, the following shall be included for new
13 appropriation funding purposes as part of the Downstate Public
14 Transportation Fund: Bond County; Bureau County; Coles County;
15 Edgar County; Stephenson County and the City of Freeport; Henry
16 County; Jo Daviess County; Kankakee and McLean Counties; Peoria
17 County; Piatt County; Shelby County; Tazewell and Woodford
18 Counties; Vermilion County; Williamson County; and Kendall
19 County.

20 (Source: P.A. 94-70, eff. 6-22-05.)

21 (30 ILCS 740/2-3) (from Ch. 111 2/3, par. 663)

22 Sec. 2-3. (a) As soon as possible after the first day of
23 each month, beginning July 1, 1984, upon certification of the
24 Department of Revenue, the Comptroller shall order
25 transferred, and the Treasurer shall transfer, from the General

1 Revenue Fund to a special fund in the State Treasury which is
2 hereby created, to be known as the "Downstate Public
3 Transportation Fund", an amount equal to 2/32 (beginning July
4 1, 2005, 3/32) of the net revenue realized from the "Retailers'
5 Occupation Tax Act", as now or hereafter amended, the "Service
6 Occupation Tax Act", as now or hereafter amended, the "Use Tax
7 Act", as now or hereafter amended, and the "Service Use Tax
8 Act", as now or hereafter amended, from persons incurring
9 municipal or county retailers' or service occupation tax
10 liability for the benefit of any municipality or county located
11 wholly within the boundaries of each participant other than any
12 Metro-East Transit District participant certified pursuant to
13 subsection (c) of this Section during the preceding month,
14 except that the Department shall pay into the Downstate Public
15 Transportation Fund 2/32 (beginning July 1, 2005, 3/32) of 80%
16 of the net revenue realized under the State tax Acts named
17 above within any municipality or county located wholly within
18 the boundaries of each participant, other than any Metro-East
19 participant, for tax periods beginning on or after January 1,
20 1990; ~~provided, however, that beginning with fiscal year 1985,~~
21 ~~the transfers into the Downstate Public Transportation Fund~~
22 ~~during any fiscal year shall not exceed the annual~~
23 ~~appropriation from the Downstate Public Transportation Fund~~
24 ~~for that year. The Department of Transportation shall notify~~
25 ~~the Department of Revenue and the Comptroller at the beginning~~
26 ~~of each fiscal year of the amount of the annual appropriation~~

1 ~~from the Downstate Public Transportation Fund.~~ Net revenue
2 realized for a month shall be the revenue collected by the
3 State pursuant to such Acts during the previous month from
4 persons incurring municipal or county retailers' or service
5 occupation tax liability for the benefit of any municipality or
6 county located wholly within the boundaries of a participant,
7 less the amount paid out during that same month as refunds or
8 credit memoranda to taxpayers for overpayment of liability
9 under such Acts for the benefit of any municipality or county
10 located wholly within the boundaries of a participant.

11 (b) As soon as possible after the first day of each month,
12 beginning July 1, 1989, upon certification of the Department of
13 Revenue, the Comptroller shall order transferred, and the
14 Treasurer shall transfer, from the General Revenue Fund to a
15 special fund in the State Treasury which is hereby created, to
16 be known as the "Metro-East Public Transportation Fund", an
17 amount equal to $\frac{2}{32}$ of the net revenue realized, as above,
18 from within the boundaries of Madison, Monroe, and St. Clair
19 Counties, except that the Department shall pay into the
20 Metro-East Public Transportation Fund $\frac{2}{32}$ of 80% of the net
21 revenue realized under the State tax Acts specified in
22 subsection (a) of this Section within the boundaries of
23 Madison, Monroe and St. Clair Counties for tax periods
24 beginning on or after January 1, 1990. A local match equivalent
25 to an amount which could be raised by a tax levy at the rate of
26 .05% on the assessed value of property within the boundaries of

1 Madison County is required annually to cause a total of 2/32 of
2 the net revenue to be deposited in the Metro-East Public
3 Transportation Fund. Failure to raise the required local match
4 annually shall result in only 1/32 being deposited into the
5 Metro-East Public Transportation Fund after July 1, 1989, or
6 1/32 of 80% of the net revenue realized for tax periods
7 beginning on or after January 1, 1990.

8 (b-5) As soon as possible after the first day of each
9 month, beginning July 1, 2005, upon certification of the
10 Department of Revenue, the Comptroller shall order
11 transferred, and the Treasurer shall transfer, from the General
12 Revenue Fund to the Downstate Public Transportation Fund, an
13 amount equal to 3/32 of 80% of the net revenue realized from
14 within the boundaries of Monroe and St. Clair Counties under
15 the State Tax Acts specified in subsection (a) of this Section
16 and provided further that, beginning July 1, 2005, the
17 provisions of subsection (b) shall no longer apply with respect
18 to such tax receipts from Monroe and St. Clair Counties.

19 (b-6) As soon as possible after the first day of each
20 month, beginning July 1, 2008, upon certification by the
21 Department of Revenue, the Comptroller shall order transferred
22 and the Treasurer shall transfer, from the General Revenue Fund
23 to the Downstate Public Transportation Fund, an amount equal to
24 3/32 of 80% of the net revenue realized from within the
25 boundaries of Madison County under the State Tax Acts specified
26 in subsection (a) of this Section and provided further that,

1 beginning July 1, 2008, the provisions of subsection (b) shall
2 no longer apply with respect to such tax receipts from Madison
3 County.

4 (c) The Department shall certify to the Department of
5 Revenue the eligible participants under this Article and the
6 territorial boundaries of such participants for the purposes of
7 the Department of Revenue in subsections (a) and (b) of this
8 Section.

9 (d) For the purposes of this Article, beginning in fiscal
10 year 2009 the General Assembly shall appropriate ~~the Department~~
11 ~~shall include in its annual request for appropriation of~~
12 ~~ordinary and contingent expenses~~ an amount from the Downstate
13 Public Transportation Fund equal to the sum total funds
14 projected to be paid to the participants pursuant to Section
15 2-7. If the General Assembly fails to make appropriations
16 sufficient to cover the amounts projected to be paid pursuant
17 to Section 2-7, this Act shall constitute an irrevocable and
18 continuing appropriation from the Downstate Public
19 Transportation Fund of all amounts necessary for those
20 purposes.

21 ~~(e) In addition to any other permitted use of moneys in the~~
22 ~~Fund, and notwithstanding any restriction on the use of the~~
23 ~~Fund, moneys in the Downstate Public Transportation Fund may be~~
24 ~~transferred to the General Revenue Fund as authorized by Public~~
25 ~~Act 87-14. The General Assembly finds that an excess of moneys~~
26 ~~existed in the Fund on July 30, 1991, and the Governor's order~~

1 ~~of July 30, 1991, and the Governor's order of July 30, 1991,~~
2 ~~requesting the Comptroller and Treasurer to transfer an amount~~
3 ~~from the Fund to the General Revenue Fund is hereby validated.~~

4 (Source: P.A. 94-70, eff. 6-22-05.)

5 (30 ILCS 740/2-6) (from Ch. 111 2/3, par. 666)

6 Sec. 2-6. Allocation of funds.

7 (a) With respect to all participants other than any
8 Metro-East Transit District participant, the Department shall
9 allocate the funds to be made available to each participant
10 under this Article for the following fiscal year and shall
11 notify the chief official of each participant not later than
12 the first day of the fiscal year of this amount. For Fiscal
13 Year 1975, notification shall be made not later than January 1,
14 1975, of the amount of such allocation. In determining the
15 allocation for each participant, the Department shall estimate
16 the funds available to the participant from the Downstate
17 Public Transportation Fund for the purposes of this Article
18 during the succeeding fiscal year, and shall allocate to each
19 participant the amount attributable to it which shall be the
20 amount paid into the Downstate Public Transportation Fund under
21 Section 2-3 from within its boundaries. Said allocations may be
22 exceeded for participants receiving assistance equal to
23 one-third of their eligible operating expenses, only if an
24 allocation is less than one-third of such participant's
25 eligible operating expenses, provided, however, that no other

1 participant is denied its one-third of eligible operating
2 expenses. Beginning in Fiscal Year 1997, said allocation may be
3 exceeded for participants receiving assistance equal to the
4 percentage of their eligible operating expenses provided for in
5 paragraph (b) of Section 2-7, only if allocation is less than
6 the percentage of such participant's eligible operating
7 expenses provided for in paragraph (b) of Section 2-7, provided
8 however, that no other participant is denied its percentage of
9 eligible operating expenses.

10 (b) With regard to any Metro-East Transit District
11 organized under the Local Mass Transit District Act and serving
12 one or more of the Counties of Madison, Monroe and St. Clair
13 during Fiscal Year 1989, the Department shall allocate the
14 funds to be made available to each participant for the
15 following and succeeding fiscal years and shall notify the
16 chief official of each participant not later than the first day
17 of the fiscal year of this amount. Beginning July 1, 2005, and
18 ending June 30, 2008, the Department shall allocate the amount
19 paid into the Metro-East Public Transportation Fund to the
20 District serving primarily the County of Madison.

21 (Source: P.A. 94-70, eff. 6-22-05.)

22 (30 ILCS 740/2-7) (from Ch. 111 2/3, par. 667)

23 Sec. 2-7. Quarterly reports; annual audit.

24 (a) Any Metro-East Transit District participant shall, no
25 later than 60 days following the end of each quarter of any

1 fiscal year, file with the Department on forms provided by the
2 Department for that purpose, a report of the actual operating
3 deficit experienced during that quarter. The Department shall,
4 upon receipt of the quarterly report, determine whether the
5 operating deficits were incurred in conformity with the program
6 of proposed expenditures approved by the Department pursuant to
7 Section 2-11. Any Metro-East District may either monthly or
8 quarterly for any fiscal year file a request for the
9 participant's eligible share, as allocated in accordance with
10 Section 2-6, of the amounts transferred into the Metro-East
11 Public Transportation Fund.

12 (b) Each participant other than any Metro-East Transit
13 District participant shall, 30 days before the end of each
14 quarter, file with the Department on forms provided by the
15 Department for such purposes a report of the projected eligible
16 operating expenses to be incurred in the next quarter and 30
17 days before the third and fourth quarters of any fiscal year a
18 statement of actual eligible operating expenses incurred in the
19 preceding quarters. Except as otherwise provided in subsection
20 (b-5), within 45 days of receipt by the Department of such
21 quarterly report, the Comptroller shall order paid and the
22 Treasurer shall pay from the Downstate Public Transportation
23 Fund to each participant an amount equal to one-third of such
24 participant's eligible operating expenses; provided, however,
25 that in Fiscal Year 1997, the amount paid to each participant
26 from the Downstate Public Transportation Fund shall be an

1 amount equal to 47% of such participant's eligible operating
2 expenses and shall be increased to 49% in Fiscal Year 1998, 51%
3 in Fiscal Year 1999, 53% in Fiscal Year 2000, ~~and~~ 55% in Fiscal
4 Years Year 2001 through 2007, and 65% in Fiscal Year 2008 and
5 thereafter; however, in any year that a participant receives
6 funding under subsection (i) of Section 2705-305 of the
7 Department of Transportation Law (20 ILCS 2705/2705-305), that
8 participant shall be eligible only for assistance equal to the
9 following percentage of its eligible operating expenses: 42% in
10 Fiscal Year 1997, 44% in Fiscal Year 1998, 46% in Fiscal Year
11 1999, 48% in Fiscal Year 2000, and 50% in Fiscal Year 2001 and
12 thereafter. Any such payment for the third and fourth quarters
13 of any fiscal year shall be adjusted to reflect actual eligible
14 operating expenses for preceding quarters of such fiscal year.
15 However, no participant shall receive an amount less than that
16 which was received in the immediate prior year, provided in the
17 event of a shortfall in the fund those participants receiving
18 less than their full allocation pursuant to Section 2-6 of this
19 Article shall be the first participants to receive an amount
20 not less than that received in the immediate prior year.

21 (b-5) (Blank.) ~~With respect to the District serving~~
22 ~~primarily the counties of Monroe and St. Clair, beginning July~~
23 ~~1, 2005 and each fiscal year thereafter, the District may, as~~
24 ~~an alternative to the provisions of subsection (b) of Section~~
25 ~~2-7, file a request with the Department for a monthly payment~~
26 ~~of 1/12 of the amount appropriated to the District for that~~

~~fiscal year; except that, for the final month of the fiscal year, the District's request shall be in an amount such that the total payments made to the District in that fiscal year do not exceed the lesser of (i) 55% of the District's eligible operating expenses for that fiscal year or (ii) the total amount appropriated to the District for that fiscal year.~~

(b-10) On July 1, 2008, each participant shall receive an appropriation in an amount equal to 65% of its fiscal year 2008 eligible operating expenses adjusted by the annual 10% increase required by Section 2-2.04 of this Act. In no case shall any participant receive an appropriation that is less than its fiscal year 2008 appropriation. Every fiscal year thereafter, each participant's appropriation shall increase by 10% over the appropriation established for the preceding fiscal year as required by Section 2-2.04 of this Act.

(b-15) Beginning on July 1, 2007, and for each fiscal year thereafter, each participant shall maintain a minimum local share contribution (from farebox and all other local revenues) equal to the actual amount provided in Fiscal Year 2006 or, for new recipients, an amount equivalent to the local share provided in the first year of participation.

(b-20) Any participant in the Downstate Public Transportation Fund may use State operating assistance pursuant to this Section to provide transportation services within any county that is contiguous to its territorial boundaries as defined by the Department and subject to

1 Departmental approval. Any such contiguous-area service
2 provided by a participant after July 1, 2007 must meet the
3 requirements of subsection (a) of Section 2-5.1.

4 (c) No later than 180 days following the last day of the
5 Fiscal Year each participant shall provide the Department with
6 an audit prepared by a Certified Public Accountant covering
7 that Fiscal Year. For those participants other than a
8 Metro-East Transit District, any discrepancy between the
9 grants paid and the percentage of the eligible operating
10 expenses provided for by paragraph (b) of this Section shall be
11 reconciled by appropriate payment or credit. In the case of any
12 Metro-East Transit District, any amount of payments from the
13 Metro-East Public Transportation Fund which exceed the
14 eligible deficit of the participant shall be reconciled by
15 appropriate payment or credit.

16 (Source: P.A. 94-70, eff. 6-22-05.)

17 (30 ILCS 740/2-15) (from Ch. 111 2/3, par. 675.1)

18 Sec. 2-15. Except as otherwise provided in this Section,
19 all funds which remain in the Downstate Public Transportation
20 Fund or the Metro-East Public Transportation Fund after the
21 payment of the fourth quarterly payment to participants other
22 than Metro-East Transit District participants and the last
23 monthly payment to Metro-East Transit participants in each
24 fiscal year shall be transferred (i) to the General Revenue
25 Fund through fiscal year 2008 and (ii) to the Downstate Transit

1 Improvement Fund for fiscal year 2009 and each fiscal year
2 thereafter. Transfers shall be made no later than 90 days
3 following the end of such fiscal year. Beginning fiscal year
4 2010, all moneys each year in the Downstate Transit Improvement
5 Fund, held solely for the benefit of the participants in the
6 Downstate Public Transportation Fund and shall be appropriated
7 to the Department to make competitive capital grants to the
8 participants of the respective funds. However, such amount as
9 the Department determines to be necessary for (1) allocation to
10 participants for the purposes of Section 2-7 for the first
11 quarter of the succeeding fiscal year and (2) an amount equal
12 to 2% of the total allocations to participants in the fiscal
13 year just ended to be used for the purpose of audit adjustments
14 shall be retained in such Funds to be used by the Department
15 for such purposes.

16 (Source: P.A. 86-590.)

17 (30 ILCS 740/2-15.2 new)

18 Sec. 2-15.2. Notwithstanding any law to the contrary, no
19 later than 60 days following the effective date of this
20 amendatory Act of the 95th General Assembly, any fixed route
21 public transportation services provided by, or under grant or
22 purchase of service contracts of, every participant, as defined
23 in Section 2-2.02 (1)(a), shall be provided without charge to
24 all senior citizen residents of the participant aged 65 and
25 older, under such conditions as shall be prescribed by the

1 participant.

2 Section 8. The Illinois Pension Code is amended by changing
3 Section 22-101 and by adding Section 22-101B as follows:

4 (40 ILCS 5/22-101) (from Ch. 108 1/2, par. 22-101)

5 Sec. 22-101. Retirement Plan for Chicago Transit Authority
6 Employees. Metropolitan Transit Authority (CTA) Pension Fund.

7 (a) There shall be established and maintained by the
8 Authority created by the "Metropolitan Transit Authority Act",
9 approved April 12, 1945, as amended, (referred to in this
10 Section as the "Authority") a financially sound pension and
11 retirement system adequate to provide for all payments when due
12 under such established system or as modified from time to time
13 by ordinance of the Chicago Transit Board or collective
14 bargaining agreement. For this purpose, the Board must make
15 contributions to the established system as required under this
16 Section and may make any additional contributions provided for
17 by Board ordinance or collective bargaining agreement. The
18 participating employees shall make such periodic payments to
19 the established system as required under this Section and may
20 make any additional contributions provided for ~~may be~~
21 ~~determined~~ by Board ordinance or collective bargaining
22 agreement. ~~The Board, in lieu of social security payments~~
23 ~~required to be paid by private corporations engaged in similar~~
24 ~~activity, shall make payments into such established system at~~

1 ~~least equal in amount to the amount so required to be paid by~~
2 ~~such private corporations.~~

3 Provisions shall be made by the Board for all ~~Board~~
4 ~~members,~~ officers and employees of the Authority appointed
5 pursuant to the "Metropolitan Transit Authority Act" to become,
6 subject to reasonable rules and regulations, participants
7 ~~members or beneficiaries~~ of the pension or retirement system
8 with uniform rights, privileges, obligations and status as to
9 the class in which such officers and employees belong. The
10 terms, conditions and provisions of any pension or retirement
11 system or of any amendment or modification thereof affecting
12 employees who are members of any labor organization may be
13 established, amended or modified by agreement with such labor
14 organization, provided the terms, conditions and provisions
15 must be consistent with this Act, the annual funding levels for
16 the retirement system established by law must be met and the
17 benefits paid to future participants in the system may not
18 exceed the benefit ceilings set for future participants under
19 this Act and the contribution levels required by the Authority
20 and its employees may not be less than the contribution levels
21 established under this Act ~~but must be consistent with the~~
22 ~~requirements of this Section.~~

23 (b) The Board of Trustees shall consist of 11 members
24 appointed as follows: (i) 5 trustees shall be appointed by the
25 Chicago Transit Board; (ii) 3 trustees shall be appointed by an
26 organization representing the highest number of Chicago

1 Transit Authority participants; (iii) one trustee shall be
2 appointed by an organization representing the second-highest
3 number of Chicago Transit Authority participants; (iv) one
4 trustee shall be appointed by the recognized coalition
5 representatives of participants who are not represented by an
6 organization with the highest or second-highest number of
7 Chicago Transit Authority participants; and (v) one trustee
8 shall be selected by the Regional Transportation Authority
9 Board of Directors, and the trustee shall be a professional
10 fiduciary who has experience in the area of collectively
11 bargained pension plans. Trustees shall serve until a successor
12 has been appointed and qualified, or until resignation, death,
13 incapacity, or disqualification.

14 Any person appointed as a trustee of the board shall
15 qualify by taking an oath of office that he or she will
16 diligently and honestly administer the affairs of the system
17 and will not knowingly violate or willfully permit the
18 violation of any of the provisions of law applicable to the
19 Plan, including Sections 1-109, 1-109.1, 1-109.2, 1-110,
20 1-111, 1-114, and 1-115 of the Illinois Pension Code.

21 Each trustee shall cast individual votes, and a majority
22 vote shall be final and binding upon all interested parties,
23 provided that the Board of Trustees may require a supermajority
24 vote with respect to the investment of the assets of the
25 Retirement Plan, and may set forth that requirement in the
26 Retirement Plan documents, by-laws, or rules of the Board of

1 Trustees. Each trustee shall have the rights, privileges,
2 authority, and obligations as are usual and customary for such
3 fiduciaries.

4 The Board of Trustees may cause amounts on deposit in the
5 Retirement Plan to be invested in those investments that are
6 permitted investments for the investment of moneys held under
7 any one or more of the pension or retirement systems of the
8 State, any unit of local government or school district, or any
9 agency or instrumentality thereof. The Board, by a vote of at
10 least two-thirds of the trustees, may transfer investment
11 management to the Illinois State Board of Investment, which is
12 hereby authorized to manage these investments when so requested
13 by the Board of Trustees.

14 (c) All individuals who were previously participants in the
15 Retirement Plan for Chicago Transit Authority Employees shall
16 remain participants, and shall receive the same benefits
17 established by the Retirement Plan for Chicago Transit
18 Authority Employees, except as provided in this amendatory Act
19 or by subsequent legislative enactment or amendment to the
20 Retirement Plan. For Authority employees hired on or after the
21 effective date of this amendatory Act of the 95th General
22 Assembly, the Retirement Plan for Chicago Transit Authority
23 Employees shall be the exclusive retirement plan and such
24 employees shall not be eligible for any supplemental plan,
25 except for a deferred compensation plan funded only by employee
26 contributions.

1 For all Authority employees who are first hired on or after
2 the effective date of this amendatory Act of the 95th General
3 Assembly and are participants in the Retirement Plan for
4 Chicago Transit Authority Employees, the following terms,
5 conditions and provisions with respect to retirement shall be
6 applicable:

7 (1) Such participant shall be eligible for an unreduced
8 retirement allowance for life upon the attainment of age 64
9 with 25 years of continuous service.

10 (2) Such participant shall be eligible for a reduced
11 retirement allowance for life upon the attainment of age 55
12 with 10 years of continuous service.

13 (3) For the purpose of determining the retirement
14 allowance to be paid to a retiring employee, the term
15 "Continuous Service" as used in the Retirement Plan for
16 Chicago Transit Authority Employees shall also be deemed to
17 include all pension credit for service with any retirement
18 system established under Article 8 or Article 11 of this
19 Code, provided that the employee forfeits and relinquishes
20 all pension credit under Article 8 or Article 11 of this
21 Code, and the contribution required under this subsection
22 is made by the employee. The Retirement Plan's actuary
23 shall determine the contribution paid by the employee as an
24 amount equal to the normal cost of the benefit accrued, had
25 the service been rendered as an employee, plus interest per
26 annum from the time such service was rendered until the

1 date the payment is made.

2 (d) From the effective date of this amendatory Act through
3 December 31, 2008, all participating employees shall
4 contribute to the Retirement Plan in an amount not less than 6%
5 of compensation, and the Authority shall contribute to the
6 Retirement Plan in an amount not less than 12% of compensation.

7 (e) (1) Beginning January 1, 2009 the Authority shall make
8 contributions to the Retirement Plan in an amount equal to
9 twelve percent (12%) of compensation and participating
10 employees shall make contributions to the Retirement Plan in an
11 amount equal to six percent (6%) of compensation. These
12 contributions may be paid by the Authority and participating
13 employees on a payroll or other periodic basis, but shall in
14 any case be paid to the Retirement Plan at least monthly.

15 (2) For the period ending December 31, 2040, the amount
16 paid by the Authority in any year with respect to debt service
17 on bonds issued for the purposes of funding a contribution to
18 the Retirement Plan under Section 12c of the Metropolitan
19 Transit Authority Act, other than debt service paid with the
20 proceeds of bonds or notes issued by the Authority for any year
21 after calendar year 2008, shall be treated as a credit against
22 the amount of required contribution to the Retirement Plan by
23 the Authority under subsection (e) (1) for the following year up
24 to an amount not to exceed 6% of compensation paid by the
25 Authority in that following year.

26 (3) By September 15 of each year beginning in 2009 and

1 ending on December 31, 2039, on the basis of a report prepared
2 by an enrolled actuary retained by the Plan, the Board of
3 Trustees of the Retirement Plan shall determine the estimated
4 funded ratio of the total assets of the Retirement Plan to its
5 total actuarially determined liabilities. A report containing
6 that determination and the actuarial assumptions on which it is
7 based shall be filed with the Authority, the representatives of
8 its participating employees, the Auditor General of the State
9 of Illinois, and the Regional Transportation Authority. If the
10 funded ratio is projected to decline below 60% in any year
11 before 2040, the Board of Trustees shall also determine the
12 increased contribution required each year as a level percentage
13 of payroll over the years remaining until 2040 using the
14 projected unit credit actuarial cost method so the funded ratio
15 does not decline below 60% and include that determination in
16 its report. If the actual funded ratio declines below 60% in
17 any year prior to 2040, the Board of Trustees shall also
18 determine the increased contribution required each year as a
19 level percentage of payroll during the years after the then
20 current year using the projected unit credit actuarial cost
21 method so the funded ratio is projected to reach at least 60%
22 no later than 10 years after the then current year and include
23 that determination in its report. Within 60 days after
24 receiving the report, the Auditor General shall review the
25 determination and the assumptions on which it is based, and if
26 he finds that the determination and the assumptions on which it

1 is based are unreasonable in the aggregate, he shall issue a
2 new determination of the funded ratio, the assumptions on which
3 it is based and the increased contribution required each year
4 as a level percentage of payroll over the years remaining until
5 2040 using the projected unit credit actuarial cost method so
6 the funded ratio does not decline below 60%, or, in the event
7 of an actual decline below 60%, so the funded ratio is
8 projected to reach 60% by no later than 10 years after the then
9 current year. If the Board of Trustees or the Auditor General
10 determine that an increased contribution is required to meet
11 the funded ratio required by the subsection, effective January
12 1 following the determination or 30 days after such
13 determination, whichever is later, one-third of the increased
14 contribution shall be paid by participating employees and
15 two-thirds by the Authority, in addition to the contributions
16 required by this subsection (1).

17 (4) For the period beginning 2040, the minimum contribution
18 to the Retirement Plan for each fiscal year shall be an amount
19 determined by the Board of Trustees of the Retirement Plan to
20 be sufficient to bring the total assets of the Retirement Plan
21 up to 90% of its total actuarial liabilities by the end of
22 2059. Participating employees shall be responsible for
23 one-third of the required contribution and the Authority shall
24 be responsible for two-thirds of the required contribution. In
25 making these determinations, the Board of Trustees shall
26 calculate the required contribution each year as a level

1 percentage of payroll over the years remaining to and including
2 fiscal year 2059 using the projected unit credit actuarial cost
3 method. A report containing that determination and the
4 actuarial assumptions on which it is based shall be filed by
5 September 15 of each year with the Authority, the
6 representatives of its participating employees, the Auditor
7 General of the State of Illinois and the Regional
8 Transportation Authority. If the funded ratio is projected to
9 fail to reach 90% by December 31, 2059, the Board of Trustees
10 shall also determine the increased contribution required each
11 year as a level percentage of payroll over the years remaining
12 until December 31, 2059 using the projected unit credit
13 actuarial cost method so the funded ratio will meet 90% by
14 December 31, 2059 and include that determination in its report.
15 Within 60 days after receiving the report, the Auditor General
16 shall review the determination and the assumptions on which it
17 is based and if he finds that the determination and the
18 assumptions on which it is based are unreasonable in the
19 aggregate, he shall issue a new determination of the funded
20 ratio, the assumptions on which it is based and the increased
21 contribution required each year as a level percentage of
22 payroll over the years remaining until December 31, 2059 using
23 the projected unit credit actuarial cost method so the funded
24 ratio reaches no less than 90% by December 31, 2059. If the
25 Board of Trustees or the Auditor General determine that an
26 increased contribution is required to meet the funded ratio

1 required by this subsection, effective January 1 following the
2 determination or 30 days after such determination, whichever is
3 later, one-third of the increased contribution shall be paid by
4 participating employees and two-thirds by the Authority, in
5 addition to the contributions required by subsection (e) (1).

6 (5) Beginning in 2060, the minimum contribution for each
7 year shall be the amount needed to maintain the total assets of
8 the Retirement Plan at 90% of the total actuarial liabilities
9 of the Plan, and the contribution shall be funded two-thirds by
10 the Authority and one-third by the participating employees in
11 accordance with this subsection.

12 (f) The Authority shall take the steps necessary to comply
13 with Section 414(h) (2) of the Internal Revenue Code of 1986, as
14 amended, to permit the pick-up of employee contributions under
15 subsections (d) and (e) on a tax-deferred basis.

16 (g) The Board of Trustees shall certify to the Governor,
17 the General Assembly, the Auditor General, the Board of the
18 Regional Transportation Authority, and the Authority at least
19 90 days prior to the end of each fiscal year the amount of the
20 required contributions to the retirement system for the next
21 retirement system fiscal year under this Section. The
22 certification shall include a copy of the actuarial
23 recommendations upon which it is based. In addition, copies of
24 the certification shall be sent to the Commission on Government
25 Forecasting and Accountability and the Mayor of Chicago.

26 (h) (1) As to an employee who first becomes entitled to a

1 retirement allowance commencing on or after November 30, 1989,
2 the retirement allowance shall be the amount determined in
3 accordance with the following formula:

4 (A) One percent (1%) of his "Average Annual
5 Compensation in the highest four (4) completed Plan Years"
6 for each full year of continuous service from the date of
7 original employment to the effective date of the Plan; plus

8 (B) One and seventy-five hundredths percent (1.75%) of
9 his "Average Annual Compensation in the highest four (4)
10 completed Plan Years" for each year (including fractions
11 thereof to completed calendar months) of continuous
12 service as provided for in the Retirement Plan for Chicago
13 Transit Authority Employees.

14 Provided, however that:

15 (2) As to an employee who first becomes entitled to a
16 retirement allowance commencing on or after January 1, 1993,
17 the retirement allowance shall be the amount determined in
18 accordance with the following formula:

19 (A) One percent (1%) of his "Average Annual
20 Compensation in the highest four (4) completed Plan Years"
21 for each full year of continuous service from the date of
22 original employment to the effective date of the Plan; plus

23 (B) One and eighty hundredths percent (1.80%) of his
24 "Average Annual Compensation in the highest four (4)
25 completed Plan Years" for each year (including fractions
26 thereof to completed calendar months) of continuous

1 service as provided for in the Retirement Plan for Chicago
2 Transit Authority Employees.

3 Provided, however that:

4 (3) As to an employee who first becomes entitled to a
5 retirement allowance commencing on or after January 1, 1994,
6 the retirement allowance shall be the amount determined in
7 accordance with the following formula:

8 (A) One percent (1%) of his "Average Annual
9 Compensation in the highest four (4) completed Plan Years"
10 for each full year of continuous service from the date of
11 original employment to the effective date of the Plan; plus

12 (B) One and eighty-five hundredths percent (1.85%) of
13 his "Average Annual Compensation in the highest four (4)
14 completed Plan Years" for each year (including fractions
15 thereof to completed calendar months) of continuous
16 service as provided for in the Retirement Plan for Chicago
17 Transit Authority Employees.

18 Provided, however that:

19 (4) As to an employee who first becomes entitled to a
20 retirement allowance commencing on or after January 1, 2000,
21 the retirement allowance shall be the amount determined in
22 accordance with the following formula:

23 (A) One percent (1%) of his "Average Annual
24 Compensation in the highest four (4) completed Plan Years"
25 for each full year of continuous service from the date of
26 original employment to the effective date of the Plan; plus

1 (B) Two percent (2%) of his "Average Annual
2 Compensation in the highest four (4) completed Plan Years"
3 for each year (including fractions thereof to completed
4 calendar months) of continuous service as provided for in
5 the Retirement Plan for Chicago Transit Authority
6 Employees.

7 Provided, however that:

8 (5) As to an employee who first becomes entitled to a
9 retirement allowance commencing on or after January 1, 2001,
10 the retirement allowance shall be the amount determined in
11 accordance with the following formula:

12 (A) One percent (1%) of his "Average Annual
13 Compensation in the highest four (4) completed Plan Years"
14 for each full year of continuous service from the date of
15 original employment to the effective date of the Plan; plus

16 (B) Two and fifteen hundredths percent (2.15%) of his
17 "Average Annual Compensation in the highest four (4)
18 completed Plan Years" for each year (including fractions
19 thereof to completed calendar months) of continuous
20 service as provided for in the Retirement Plan for Chicago
21 Transit Authority Employees.

22 The changes made by this amendatory Act of the 95th General
23 Assembly, to the extent that they affect the rights or
24 privileges of Authority employees that are currently the
25 subject of collective bargaining, have been agreed to between
26 the authorized representatives of these employees and of the

1 Authority prior to enactment of this amendatory Act, as
2 evidenced by a Memorandum of Understanding between these
3 representatives that will be filed with the Secretary of State
4 Index Department and designated as "95-GA-C05". The General
5 Assembly finds and declares that those changes are consistent
6 with 49 U.S.C. 5333(b) (also known as Section 13(c) of the
7 Federal Transit Act) because of this agreement between
8 authorized representatives of these employees and of the
9 Authority, and that any future amendments to the provisions of
10 this amendatory Act of the 95th General Assembly, to the extent
11 those amendments would affect the rights and privileges of
12 Authority employees that are currently the subject of
13 collective bargaining, would be consistent with 49 U.S.C.
14 5333(b) if and only if those amendments were agreed to between
15 these authorized representatives prior to enactment.

16 (i) Early retirement incentive plan; funded ratio.

17 (1) Beginning on the effective date of this Section, no
18 early retirement incentive shall be offered to
19 participants of the Plan unless the Funded Ratio of the
20 Plan is at least 80% or more.

21 (2) For the purposes of this Section, the Funded Ratio
22 shall be the Adjusted Assets divided by the Actuarial
23 Accrued Liability developed in accordance with Statement
24 #25 promulgated by the Government Accounting Standards
25 Board and the actuarial assumptions described in the Plan.
26 The Adjusted Assets shall be calculated based on the

1 methodology described in the Plan.

2 (j) Nothing in this amendatory Act of the 95th General
3 Assembly shall impair the rights or privileges of Authority
4 employees under any other law.

5 ~~(b) Beginning January 1, 2009, the Authority shall make~~
6 ~~contributions to the retirement system in an amount which,~~
7 ~~together with the contributions of participants, interest~~
8 ~~earned on investments, and other income, will meet the cost of~~
9 ~~maintaining and administering the retirement plan in~~
10 ~~accordance with applicable actuarial recommendations and~~
11 ~~assumptions and the requirements of this Section. These~~
12 ~~contributions may be paid on a payroll or other periodic basis,~~
13 ~~but shall in any case be paid at least monthly.~~

14 ~~For retirement system fiscal years 2009 through 2058, the~~
15 ~~minimum contribution to the retirement system to be made by the~~
16 ~~Authority for each fiscal year shall be an amount determined~~
17 ~~jointly by the Authority and the trustee of the retirement~~
18 ~~system to be sufficient to bring the total assets of the~~
19 ~~retirement system up to 90% of its total actuarial liabilities~~
20 ~~by the end of fiscal year 2058. In making these determinations,~~
21 ~~the required Authority contribution shall be calculated each~~
22 ~~year as a level percentage of payroll over the years remaining~~
23 ~~to and including fiscal year 2058 and shall be determined under~~
24 ~~the projected unit credit actuarial cost method. Beginning in~~
25 ~~retirement system fiscal year 2059, the minimum Authority~~
26 ~~contribution for each fiscal year shall be the amount needed to~~

1 ~~maintain the total assets of the retirement system at 90% of~~
2 ~~the total actuarial liabilities of the system.~~

3 ~~For purposes of determining employer contributions and~~
4 ~~actuarial liabilities under this subsection, contributions and~~
5 ~~liabilities relating to health care benefits shall not be~~
6 ~~included. As used in this Section, "retirement system fiscal~~
7 ~~year" means the calendar year, or such other plan year as may~~
8 ~~be defined from time to time in the agreement known as the~~
9 ~~Retirement Plan for Chicago Transit Authority Employees, or its~~
10 ~~successor agreement.~~

11 ~~(c) The Authority and the trustee shall jointly certify to~~
12 ~~the Governor, the General Assembly, and the Board of the~~
13 ~~Regional Transportation Authority on or before November 15 of~~
14 ~~2008 and of each year thereafter the amount of the required~~
15 ~~Authority contributions to the retirement system for the next~~
16 ~~retirement system fiscal year under subsection (b). The~~
17 ~~certification shall include a copy of the actuarial~~
18 ~~recommendations upon which it is based. In addition, copies of~~
19 ~~the certification shall be sent to the Commission on Government~~
20 ~~Forecasting and Accountability, the Mayor of Chicago, the~~
21 ~~Chicago City Council, and the Cook County Board.~~

22 ~~(d) The Authority shall take all actions lawfully available~~
23 ~~to it to separate the funding of health care benefits for~~
24 ~~retirees and their dependents and survivors from the funding~~
25 ~~for its retirement system. The Authority shall endeavor to~~
26 ~~achieve this separation as soon as possible, and in any event~~

1 ~~no later than January 1, 2009.~~

2 ~~(c) This amendatory Act of the 94th General Assembly does~~
3 ~~not affect or impair the right of either the Authority or its~~
4 ~~employees to collectively bargain the amount or level of~~
5 ~~employee contributions to the retirement system.~~

6 (Source: P.A. 94-839, eff. 6-6-06.)

7 (40 ILCS 5/22-101B new)

8 Sec. 22-101B. Health Care Benefits.

9 (a) The Chicago Transit Authority (hereinafter referred to
10 in this Section as the "Authority") shall take all actions
11 lawfully available to it to separate the funding of health care
12 benefits for retirees and their dependents and survivors from
13 the funding for its retirement system. The Authority shall
14 endeavor to achieve this separation as soon as possible, and in
15 any event no later than July 1, 2009.

16 (b) Effective 90 days after the effective date of this
17 amendatory Act of the 95th General Assembly, a Retiree Health
18 Care Trust is established for the purpose of providing health
19 care benefits to eligible retirees and their dependents and
20 survivors in accordance with the terms and conditions set forth
21 in this Section 22-101B. The Retiree Health Care Trust shall be
22 solely responsible for providing health care benefits to
23 eligible retirees and their dependents and survivors by no
24 later than July 1, 2009, but no earlier than January 1, 2009.

25 (1) The Board of Trustees shall consist of 7 members

1 appointed as follows: (i) 3 trustees shall be appointed by
2 the Chicago Transit Board; (ii) one trustee shall be
3 appointed by an organization representing the highest
4 number of Chicago Transit Authority participants; (iii)
5 one trustee shall be appointed by an organization
6 representing the second-highest number of Chicago Transit
7 Authority participants; (iv) one trustee shall be
8 appointed by the recognized coalition representatives of
9 participants who are not represented by an organization
10 with the highest or second-highest number of Chicago
11 Transit Authority participants; and (v) one trustee shall
12 be selected by the Regional Transportation Authority Board
13 of Directors, and the trustee shall be a professional
14 fiduciary who has experience in the area of collectively
15 bargained retiree health plans. Trustees shall serve until
16 a successor has been appointed and qualified, or until
17 resignation, death, incapacity, or disqualification.

18 Any person appointed as a trustee of the board shall
19 qualify by taking an oath of office that he or she will
20 diligently and honestly administer the affairs of the
21 system, and will not knowingly violate or willfully permit
22 the violation of any of the provisions of law applicable to
23 the Plan, including Sections 1-109, 1-109.1, 1-109.2,
24 1-110, 1-111, 1-114, and 1-115 of Article 1 of the Illinois
25 Pension Code.

26 Each trustee shall cast individual votes, and a

1 majority vote shall be final and binding upon all
2 interested parties, provided that the Board of Trustees may
3 require a supermajority vote with respect to the investment
4 of the assets of the Retiree Health Care Trust, and may set
5 forth that requirement in the trust agreement or by-laws of
6 the Board of Trustees. Each trustee shall have the rights,
7 privileges, authority and obligations as are usual and
8 customary for such fiduciaries.

9 (2) The Board of Trustees shall establish and
10 administer a health care benefit program for eligible
11 retirees and their dependents and survivors. The health
12 care benefit program for eligible retirees and their
13 dependents and survivors shall not contain any plan which
14 provides for more than 90% coverage for in-network services
15 or 70% coverage for out-of-network services after any
16 deductible has been paid.

17 (3) The Retiree Health Care Trust shall be administered
18 by the Board of Trustees according to the following
19 requirements:

20 (i) The Board of Trustees may cause amounts on
21 deposit in the Retiree Health Care Trust to be invested
22 in those investments that are permitted investments
23 for the investment of moneys held under any one or more
24 of the pension or retirement systems of the State, any
25 unit of local government or school district, or any
26 agency or instrumentality thereof. The Board, by a vote

1 of at least two-thirds of the trustees, may transfer
2 investment management to the Illinois State Board of
3 Investment, which is hereby authorized to manage these
4 investments when so requested by the Board of Trustees.

5 (ii) The Board of Trustees shall establish and
6 maintain an appropriate funding reserve level which
7 shall not be less than the amount of incurred and
8 unreported claims plus 12 months of expected claims and
9 administrative expenses.

10 (iii) The Board of Trustees shall make an annual
11 assessment of the funding levels of the Retiree Health
12 Care Trust and shall submit a report to the Auditor
13 General at least 90 days prior to the end of the fiscal
14 year. The report shall provide the following:

15 (A) the actuarial present value of projected
16 benefits expected to be paid to current and future
17 retirees and their dependents and survivors;

18 (B) the actuarial present value of projected
19 contributions and trust income plus assets;

20 (C) the reserve required by subsection
21 (b) (3) (ii); and

22 (D) an assessment of whether the actuarial
23 present value of projected benefits expected to be
24 paid to current and future retirees and their
25 dependents and survivors exceeds or is less than
26 the actuarial present value of projected

1 contributions and trust income plus assets in
2 excess of the reserve required by subsection
3 (b) (3) (ii).

4 If the actuarial present value of projected
5 benefits expected to be paid to current and future
6 retirees and their dependents and survivors exceeds
7 the actuarial present value of projected contributions
8 and trust income plus assets in excess of the reserve
9 required by subsection (b) (3) (ii), then the report
10 shall provide a plan of increases in employee, retiree,
11 dependent, or survivor contribution levels, decreases
12 in benefit levels, or both, which is projected to cure
13 the shortfall over a period of not more than 10 years.

14 If the actuarial present value of projected benefits
15 expected to be paid to current and future retirees and
16 their dependents and survivors is less than the
17 actuarial present value of projected contributions and
18 trust income plus assets in excess of the reserve
19 required by subsection (b) (3) (ii), then the report may
20 provide a plan of decreases in employee, retiree,
21 dependent, or survivor contribution levels, increases
22 in benefit levels, or both, to the extent of the
23 surplus.

24 (iv) The Auditor General shall review the report
25 and plan provided in subsection (b) (3) (iii) and issue a
26 determination within 90 days after receiving the

1 report and plan, with a copy of such determination
2 provided to the General Assembly and the Regional
3 Transportation Authority, as follows:

4 (A) In the event of a projected shortfall, if
5 the Auditor General determines that the
6 assumptions stated in the report are not
7 unreasonable in the aggregate and that the plan of
8 increases in employee, retiree, dependent, or
9 survivor contribution levels, decreases in benefit
10 levels, or both, is reasonably projected to cure
11 the shortfall over a period of not more than 10
12 years, then the Board of Trustees shall implement
13 the plan. If the Auditor General determines that
14 the assumptions stated in the report are
15 unreasonable in the aggregate, or that the plan of
16 increases in employee, retiree, dependent, or
17 survivor contribution levels, decreases in benefit
18 levels, or both, is not reasonably projected to
19 cure the shortfall over a period of not more than
20 10 years, then the Board of Trustees shall not
21 implement the plan, the Auditor General shall
22 explain the basis for such determination to the
23 Board of Trustees, and the Auditor General may make
24 recommendations as to an alternative report and
25 plan.

26 (B) In the event of a projected surplus, if the

1 Auditor General determines that the assumptions
2 stated in the report are not unreasonable in the
3 aggregate and that the plan of decreases in
4 employee, retiree, dependent, or survivor
5 contribution levels, increases in benefit levels,
6 or both, is not unreasonable in the aggregate, then
7 the Board of Trustees shall implement the plan. If
8 the Auditor General determines that the
9 assumptions stated in the report are unreasonable
10 in the aggregate, or that the plan of decreases in
11 employee, retiree, dependent, or survivor
12 contribution levels, increases in benefit levels,
13 or both, is unreasonable in the aggregate, then the
14 Board of Trustees shall not implement the plan, the
15 Auditor General shall explain the basis for such
16 determination to the Board of Trustees, and the
17 Auditor General may make recommendations as to an
18 alternative report and plan.

19 (C) The Board of Trustees shall submit an
20 alternative report and plan within 45 days after
21 receiving a rejection determination by the Auditor
22 General. A determination by the Auditor General on
23 any alternative report and plan submitted by the
24 Board of Trustees shall be made within 90 days
25 after receiving the alternative report and plan,
26 and shall be accepted or rejected according to the

1 requirements of this subsection (b)(3)(iv). The
2 Board of Trustees shall continue to submit
3 alternative reports and plans to the Auditor
4 General, as necessary, until a favorable
5 determination is made by the Auditor General.

6 (4) For any retiree who first retires effective on or
7 after the effective date of this amendatory Act of the 95th
8 General Assembly, to be eligible for retiree health care
9 benefits upon retirement, the retiree must be at least 55
10 years of age, retire with 10 or more years of continuous
11 service and satisfy the preconditions established by this
12 amendatory Act in addition to any rules or regulations
13 promulgated by the Board of Trustees. This paragraph (4)
14 shall not apply to a disability allowance.

15 (5) Effective January 1, 2009, the aggregate amount of
16 retiree, dependent and survivor contributions to the cost
17 of their health care benefits shall not exceed more than
18 45% of the total cost of such benefits. The Board of
19 Trustees shall have the discretion to provide different
20 contribution levels for retirees, dependents and survivors
21 based on their years of service, level of coverage or
22 Medicare eligibility, provided that the total contribution
23 from all retirees, dependents, and survivors shall be not
24 more than 45% of the total cost of such benefits. The term
25 "total cost of such benefits" for purposes of this
26 subsection shall be the total amount expended by the

1 retiree health benefit program in the prior plan year, as
2 calculated and certified in writing by the Retiree Health
3 Care Trust's enrolled actuary to be appointed and paid for
4 by the Board of Trustees.

5 (6) Effective 30 days after the establishment of the
6 Retiree Health Care Trust, all employees of the Authority
7 shall contribute to the Retiree Health Care Trust in an
8 amount not less than 3% of compensation.

9 (7) No earlier than January 1, 2009 and no later than
10 July 1, 2009 as the Retiree Health Care Trust becomes
11 solely responsible for providing health care benefits to
12 eligible retirees and their dependents and survivors in
13 accordance with subsection (b) of this Section 22-101B, the
14 Authority shall not have any obligation to provide health
15 care to current or future retirees and their dependents or
16 survivors. Employees, retirees, dependents, and survivors
17 who are required to make contributions to the Retiree
18 Health Care Trust shall make contributions at the level set
19 by the Board of Trustees pursuant to the requirements of
20 this Section 22-101B.

21 Section 10. The Illinois Municipal Code is amended by
22 changing Section 8-3-19 as follows:

23 (65 ILCS 5/8-3-19)

24 Sec. 8-3-19. Home rule real estate transfer taxes.

1 (a) After the effective date of this amendatory Act of the
2 93rd General Assembly and subject to this Section, a home rule
3 municipality may impose or increase a tax or other fee on the
4 privilege of transferring title to real estate, on the
5 privilege of transferring a beneficial interest in real
6 property, and on the privilege of transferring a controlling
7 interest in a real estate entity, as the terms "beneficial
8 interest", "controlling interest", and "real estate entity"
9 are defined in Article 31 of the Property Tax Code. Such a tax
10 or other fee shall hereafter be referred to as a real estate
11 transfer tax.

12 (b) Before adopting a resolution to submit the question of
13 imposing or increasing a real estate transfer tax to
14 referendum, the corporate authorities shall give public notice
15 of and hold a public hearing on the intent to submit the
16 question to referendum. This hearing may be part of a regularly
17 scheduled meeting of the corporate authorities. The notice
18 shall be published not more than 30 nor less than 10 days prior
19 to the hearing in a newspaper of general circulation within the
20 municipality. The notice shall be published in the following
21 form:

22 Notice of Proposed (Increased) Real Estate Transfer
23 Tax for (commonly known name of municipality).

24 A public hearing on a resolution to submit to
25 referendum the question of a proposed (increased) real
26 estate transfer tax for (legal name of the municipality) in

1 an amount of (rate) to be paid by the buyer (seller) of the
2 real estate transferred will be held on (date) at (time) at
3 (location). The current rate of real estate transfer tax
4 imposed by (name of municipality) is (rate).

5 Any person desiring to appear at the public hearing and
6 present testimony to the taxing district may do so.

7 (c) A notice that includes any information not specified
8 and required by this Section is an invalid notice. All hearings
9 shall be open to the public. At the public hearing, the
10 corporate authorities of the municipality shall explain the
11 reasons for the proposed or increased real estate transfer tax
12 and shall permit persons desiring to be heard an opportunity to
13 present testimony within reasonable time limits determined by
14 the corporate authorities. A copy of the proposed ordinance
15 shall be made available to the general public for inspection
16 before the public hearing.

17 (d) Except as provided in subsection (i), no ~~no~~ home rule
18 municipality shall impose a new real estate transfer tax after
19 the effective date of this amendatory Act of 1996 without prior
20 approval by referendum. Except as provided in subsection (i),
21 no ~~no~~ home rule municipality shall impose an increase of the
22 rate of a current real estate transfer tax without prior
23 approval by referendum. A home rule municipality may impose a
24 new real estate transfer tax or may increase an existing real
25 estate transfer tax with prior referendum approval. The
26 referendum shall be conducted as provided in subsection (e). An

1 existing ordinance or resolution imposing a real estate
2 transfer tax may be amended without approval by referendum if
3 the amendment does not increase the rate of the tax or add
4 transactions on which the tax is imposed.

5 (e) The home rule municipality shall, by resolution,
6 provide for submission of the proposition to the voters. The
7 home rule municipality shall certify the resolution and the
8 proposition to the proper election officials in accordance with
9 the general election law. If the proposition is to impose a new
10 real estate transfer tax, it shall be in substantially the
11 following form: "Shall (name of municipality) impose a real
12 estate transfer tax at a rate of (rate) to be paid by the buyer
13 (seller) of the real estate transferred, with the revenue of
14 the proposed transfer tax to be used for (purpose)?" If the
15 proposition is to increase an existing real estate transfer
16 tax, it shall be in the following form: "Shall (name of
17 municipality) impose a real estate transfer tax increase of
18 (percent increase) to establish a new transfer tax rate of
19 (rate) to be paid by the buyer (seller) of the real estate
20 transferred? The current rate of the real estate transfer tax
21 is (rate), and the revenue is used for (purpose). The revenue
22 from the increase is to be used for (purpose).".

23 If a majority of the electors voting on the proposition
24 vote in favor of it, the municipality may impose or increase
25 the municipal real estate transfer tax or fee.

26 (f) Nothing in this amendatory Act of 1996 shall limit the

1 purposes for which real estate transfer tax revenues may be
2 collected or expended.

3 (g) A home rule municipality may not impose real estate
4 transfer taxes other than as authorized by this Section. This
5 Section is a denial and limitation of home rule powers and
6 functions under subsection (g) of Section 6 of Article VII of
7 the Illinois Constitution.

8 (h) Notwithstanding subsection (g) of this Section, any
9 real estate transfer taxes adopted by a municipality at any
10 time prior to January 17, 1997 (the effective date of Public
11 Act 89-701) and any amendments to any existing real estate
12 transfer tax ordinance adopted after that date, in accordance
13 with the law in effect at the time of the adoption of the
14 amendments, are not preempted by this amendatory Act of the
15 93rd General Assembly.

16 (i) Within 6 months after the effective date of this
17 amendatory Act of the 95th General Assembly, by ordinance
18 adopted without a referendum, a home rule municipality with a
19 population in excess of 1,000,000 may increase the rate of an
20 existing real estate transfer tax by a rate of up to \$1.50 for
21 each \$500 of value or fraction thereof, or in the alternative
22 may impose a real estate transfer tax at a rate of up to \$1.50
23 for each \$500 of value or fraction thereof, which may be on the
24 buyer or seller of real estate, or jointly and severally on
25 both, for the sole purpose of providing financial assistance to
26 the Chicago Transit Authority. All amounts collected under such

1 supplemental tax, after fees for costs of collection, shall be
2 provided to the Chicago Transit Authority pursuant to an
3 intergovernmental agreement as promptly as practicable upon
4 their receipt. Such municipality shall file a copy of any
5 ordinance imposing or increasing such tax with the Illinois
6 Department of Revenue and shall file a report with the
7 Department each month certifying the amount paid to the Chicago
8 Transit Authority in the previous month from the proceeds of
9 such tax.

10 (Source: P.A. 93-657, eff. 6-1-04.)

11 Section 15. The Metropolitan Transit Authority Act is
12 amended by changing Sections 15, 28a, 34, and 46 and by adding
13 Sections 12c, 50, and 51 as follows:

14 (70 ILCS 3605/12c new)

15 Sec. 12c. Retiree Benefits Bonds and Notes.

16 (a) In addition to all other bonds or notes that it is
17 authorized to issue, the Authority is authorized to issue its
18 bonds or notes for the purposes of providing funds for the
19 Authority to make the deposits described in Section 12c(b)(1)
20 and (2), for refunding any bonds authorized to be issued under
21 this Section, as well as for the purposes of paying costs of
22 issuance, obtaining bond insurance or other credit enhancement
23 or liquidity facilities, paying costs of obtaining related
24 swaps as authorized in the Bond Authorization Act ("Swaps"),

1 providing a debt service reserve fund, paying Debt Service (as
2 defined in paragraph (i) of this Section 12c), and paying all
3 other costs related to any such bonds or notes.

4 (b) (1) After its receipt of a certified copy of a report of
5 the Auditor General of the State of Illinois meeting the
6 requirements of Section 3-2.3 of the Illinois State Auditing
7 Act, the Authority may issue \$1,348,550,000 aggregate original
8 principal amount of bonds and notes. After payment of the costs
9 of issuance and necessary deposits to funds and accounts
10 established with respect to debt service, the net proceeds of
11 such bonds or notes shall be deposited only in the Retirement
12 Plan for Chicago Transit Authority Employees and used only for
13 the purposes required by Section 22-101 of the Illinois Pension
14 Code. Provided that no less than \$1,110,500,000 has been
15 deposited in the Retirement Plan, remaining proceeds of bonds
16 issued under this subparagraph (b) (1) may be used to pay costs
17 of issuance and make necessary deposits to funds and accounts
18 with respect to debt service for bonds and notes issued under
19 this subparagraph or subparagraph (b) (2).

20 (2) After its receipt of a certified copy of a report of
21 the Auditor General of the State of Illinois meeting the
22 requirements of Section 3-2.3 of the Illinois State Auditing
23 Act, the Authority may issue \$639,680,000 aggregate original
24 principal amount of bonds and notes. After payment of the costs
25 of issuance and necessary deposits to funds and accounts
26 established with respect to debt service, the net proceeds of

1 such bonds or notes shall be deposited only in the Retiree
2 Health Care Trust and used only for the purposes required by
3 Section 22-101B of the Illinois Pension Code. Provided that no
4 less than \$528,800,000 has been deposited in the Retiree Health
5 Care Trust, remaining proceeds of bonds issued under this
6 subparagraph (b) (2) may be used to pay costs of issuance and
7 make necessary deposits to funds and accounts with respect to
8 debt service for bonds and notes issued under this subparagraph
9 or subparagraph (b) (1).

10 (3) In addition, refunding bonds are authorized to be
11 issued for the purpose of refunding outstanding bonds or notes
12 issued under this Section 12c.

13 (4) The bonds or notes issued under 12c(b)(1) shall be
14 issued as soon as practicable after the Auditor General issues
15 the report provided in Section 3-2.3(b) of the Illinois State
16 Auditing Act. The bonds or notes issued under 12c(b)(2) shall
17 be issued as soon as practicable after the Auditor General
18 issues the report provided in Section 3-2.3(c) of the Illinois
19 State Auditing Act.

20 (5) With respect to bonds and notes issued under
21 subparagraph (b), scheduled aggregate annual payments of
22 interest or deposits into funds and accounts established for
23 the purpose of such payment shall commence within one year
24 after the bonds and notes are issued. With respect to principal
25 and interest, scheduled aggregate annual payments of principal
26 and interest or deposits into funds and accounts established

1 for the purpose of such payment shall be not less than 70% in
2 2009, 80% in 2010, and 90% in 2011, respectively, of scheduled
3 payments or deposits of principal and interest in 2012 and
4 shall be substantially equal beginning in 2012 and each year
5 thereafter. For purposes of this subparagraph (b),
6 "substantially equal" means that debt service in any full year
7 after calendar year 2011 is not more than 115% of debt service
8 in any other full year after calendar year 2011 during the term
9 of the bonds or notes. For the purposes of this subsection (b),
10 with respect to bonds and notes that bear interest at a
11 variable rate, interest shall be assumed at a rate equal to the
12 rate for United States Treasury Securities - State and Local
13 Government Series for the same maturity, plus 75 basis points.
14 If the Authority enters into a Swap with a counterparty
15 requiring the Authority to pay a fixed interest rate on a
16 notional amount, and the Authority has made a determination
17 that such Swap was entered into for the purpose of providing
18 substitute interest payments for variable interest rate bonds
19 or notes of a particular maturity or maturities in a principal
20 amount equal to the notional amount of the Swap, then during
21 the term of the Swap for purposes of any calculation of
22 interest payable on such bonds or notes, the interest rate on
23 the bonds or notes of such maturity or maturities shall be
24 determined as if such bonds or notes bore interest at the fixed
25 interest rate payable by the Authority under such Swap.

26 (6) No bond or note issued under this Section 12c shall

1 mature later than December 31, 2040.

2 (c) The Chicago Transit Board shall provide for the
3 issuance of bonds or notes as authorized in this Section 12c by
4 the adoption of an ordinance. The ordinance, together with the
5 bonds or notes, shall constitute a contract among the
6 Authority, the owners from time to time of the bonds or notes,
7 any bond trustee with respect to the bonds or notes, any
8 related credit enhancer and any provider of any related Swaps.

9 (d) The Authority is authorized to cause the proceeds of
10 the bonds or notes, and any interest or investment earnings on
11 the bonds or notes, and of any Swaps, to be invested until the
12 proceeds and any interest or investment earnings have been
13 deposited with the Retirement Plan or the Retiree Health Care
14 Trust.

15 (e) Bonds or notes issued pursuant to this Section 12c may
16 be general obligations of the Authority, to which shall be
17 pledged the full faith and credit of the Authority, or may be
18 obligations payable solely from particular sources of funds all
19 as may be provided in the authorizing ordinance. The
20 authorizing ordinance for the bonds and notes, whether or not
21 general obligations of the Authority, may provide for the Debt
22 Service (as defined in paragraph (i) of this Section 12c) to
23 have a claim for payment from particular sources of funds,
24 including, without limitation, amounts to be paid to the
25 Authority or a bond trustee. The authorizing ordinance may
26 provide for the means by which the bonds or notes (and any

1 related Swaps) may be secured, which may include, a pledge of
2 any revenues or funds of the Authority from whatever source
3 which may by law be utilized for paying Debt Service. In
4 addition to any other security, upon the written approval of
5 the Regional Transportation Authority by the affirmative vote
6 of 12 of its then Directors, the ordinance may provide a
7 specific pledge or assignment of and lien on or security
8 interest in amounts to be paid to the Authority by the Regional
9 Transportation Authority and direct payment thereof to the bond
10 trustee for payment of Debt Service with respect to the bonds
11 or notes, subject to the provisions of existing lease
12 agreements of the Authority with any public building
13 commission. The authorizing ordinance may also provide a
14 specific pledge or assignment of and lien on or security
15 interest in and direct payment to the trustee of all or a
16 portion of the moneys otherwise payable to the Authority from
17 the City of Chicago pursuant to an intergovernmental agreement
18 with the Authority to provide financial assistance to the
19 Authority. Any such pledge, assignment, lien or security
20 interest for the benefit of owners of bonds or notes shall be
21 valid and binding from the time the bonds or notes are issued,
22 without any physical delivery or further act, and shall be
23 valid and binding as against and prior to the claims of all
24 other parties having claims of any kind against the Authority
25 or any other person, irrespective of whether such other parties
26 have notice of such pledge, assignment, lien or security

1 interest, all as provided in the Local Government Debt Reform
2 Act, as it may be amended from time to time. The bonds or notes
3 of the Authority issued pursuant to this Section 12c shall have
4 such priority of payment and as to their claim for payment from
5 particular sources of funds, including their priority with
6 respect to obligations of the Authority issued under other
7 Sections of this Act, all as shall be provided in the
8 ordinances authorizing the issuance of the bonds or notes. The
9 ordinance authorizing the issuance of any bonds or notes under
10 this Section may provide for the creation of, deposits in, and
11 regulation and disposition of sinking fund or reserve accounts
12 relating to those bonds or notes and related agreements. The
13 ordinance authorizing the issuance of any such bonds or notes
14 authorized under this Section 12c may contain provisions for
15 the creation of a separate fund to provide for the payment of
16 principal of and interest on those bonds or notes and related
17 agreements. The ordinance may also provide limitations on the
18 issuance of additional bonds or notes of the Authority.

19 (f) Bonds or notes issued under this Section 12c shall not
20 constitute an indebtedness of the Regional Transportation
21 Authority, the State of Illinois, or of any other political
22 subdivision of or municipality within the State, except the
23 Authority.

24 (g) The ordinance of the Chicago Transit Board authorizing
25 the issuance of bonds or notes pursuant to this Section 12c may
26 provide for the appointment of a corporate trustee (which may

1 be any trust company or bank having the powers of a trust
2 company within Illinois) with respect to bonds or notes issued
3 pursuant to this Section 12c. The ordinance shall prescribe the
4 rights, duties, and powers of the trustee to be exercised for
5 the benefit of the Authority and the protection of the owners
6 of bonds or notes issued pursuant to this Section 12c. The
7 ordinance may provide for the trustee to hold in trust, invest
8 and use amounts in funds and accounts created as provided by
9 the ordinance with respect to the bonds or notes in accordance
10 with this Section 12c. The Authority may apply, as it shall
11 determine, any amounts received upon the sale of the bonds or
12 notes to pay any Debt Service on the bonds or notes. The
13 ordinance may provide for a trust indenture to set forth terms
14 of, sources of payment for and security for the bonds and
15 notes.

16 (h) The State of Illinois pledges to and agrees with the
17 owners of the bonds or notes issued pursuant to Section 12c
18 that the State of Illinois will not limit the powers vested in
19 the Authority by this Act to pledge and assign its revenues and
20 funds as security for the payment of the bonds or notes, or
21 vested in the Regional Transportation Authority by the Regional
22 Transportation Authority Act or this Act, so as to materially
23 impair the payment obligations of the Authority under the terms
24 of any contract made by the Authority with those owners or to
25 materially impair the rights and remedies of those owners until
26 those bonds or notes, together with interest and any redemption

1 premium, and all costs and expenses in connection with any
2 action or proceedings by or on behalf of such owners are fully
3 met and discharged. The Authority is authorized to include
4 these pledges and agreements of the State of Illinois in any
5 contract with owners of bonds or notes issued pursuant to this
6 Section 12c.

7 (i) For purposes of this Section, "Debt Service" with
8 respect to bonds or notes includes, without limitation,
9 principal (at maturity or upon mandatory redemption),
10 redemption premium, interest, periodic, upfront, and
11 termination payments on Swaps, fees for bond insurance or other
12 credit enhancement, liquidity facilities, the funding of bond
13 or note reserves, bond trustee fees, and all other costs of
14 providing for the security or payment of the bonds or notes.

15 (j) The Authority shall adopt a procurement program with
16 respect to contracts relating to the following service
17 providers in connection with the issuance of debt for the
18 benefit of the Retirement Plan for Chicago Transit Authority
19 Employees: underwriters, bond counsel, financial advisors, and
20 accountants. The program shall include goals for the payment of
21 not less than 30% of the total dollar value of the fees from
22 these contracts to minority owned businesses and female owned
23 businesses as defined in the Business Enterprise for
24 Minorities, Females, and Persons with Disabilities Act. The
25 Authority shall conduct outreach to minority owned businesses
26 and female owned businesses. Outreach shall include, but is not

1 limited to, advertisements in periodicals and newspapers,
2 mailings, and other appropriate media. The Authority shall
3 submit to the General Assembly a comprehensive report that
4 shall include, at a minimum, the details of the procurement
5 plan, outreach efforts, and the results of the efforts to
6 achieve goals for the payment of fees. The service providers
7 selected by the Authority pursuant to such program shall not be
8 subject to approval by the Regional Transportation Authority,
9 and the Regional Transportation Authority's approval pursuant
10 to subsection (e) of this Section 12c related to the issuance
11 of debt shall not be based in any way on the service providers
12 selected by the Authority pursuant to this Section.

13 (k) No person holding an elective office in this State,
14 holding a seat in the General Assembly, serving as a director,
15 trustee, officer, or employee of the Regional Transportation
16 Authority or the Chicago Transit Authority, including the
17 spouse or minor child of that person, may receive a legal,
18 banking, consulting, or other fee related to the issuance of
19 any bond issued by the Chicago Transit Authority pursuant to
20 this Section.

21 (70 ILCS 3605/15) (from Ch. 111 2/3, par. 315)

22 Sec. 15. The Authority shall have power to apply for and
23 accept grants and loans from the Federal Government or any
24 agency or instrumentality thereof, from the State, or from any
25 county, municipal corporation or other political subdivision

1 of the State to be used for any of the purposes of the
2 Authority, including, but not by way of limitation, grants and
3 loans in aid of mass transportation and for studies in mass
4 transportation, and may provide matching funds when necessary
5 to qualify for such grants or loans. The Authority may enter
6 into any agreement with the Federal Government, the State, and
7 any county, municipal corporation or other political
8 subdivision of the State in relation to such grants or loans;
9 provided that such agreement does not conflict with any of the
10 provisions of any trust agreement securing the payment of bonds
11 or certificates of the Authority.

12 The Authority may also accept from the state, or from any
13 county or other political subdivision, or from any municipal
14 corporation, or school district, or school authorities, grants
15 or other funds authorized by law to be paid to the Authority
16 for any of the purposes of this Act.

17 (Source: Laws 1961, p. 3135.)

18 (70 ILCS 3605/28a) (from Ch. 111 2/3, par. 328a)

19 Sec. 28a. (a) The Board may deal with and enter into
20 written contracts with the employees of the Authority through
21 accredited representatives of such employees or
22 representatives of any labor organization authorized to act for
23 such employees, concerning wages, salaries, hours, working
24 conditions and pension or retirement provisions; provided,
25 nothing herein shall be construed to permit hours of labor in

1 excess of those provided by law or to permit working conditions
2 prohibited by law. In case of dispute over wages, salaries,
3 hours, working conditions, or pension or retirement provisions
4 the Board may arbitrate any question or questions and may agree
5 with such accredited representatives or labor organization
6 that the decision of a majority of any arbitration board shall
7 be final, provided each party shall agree in advance to pay
8 half of the expense of such arbitration.

9 No contract or agreement shall be made with any labor
10 organization, association, group or individual for the
11 employment of members of such organization, association, group
12 or individual for the construction, improvement, maintenance,
13 operation or administration of any property, plant or
14 facilities under the jurisdiction of the Authority, where such
15 organization, association, group or individual denies on the
16 ground of race, creed, color, sex, religion, physical or mental
17 handicap unrelated to ability, or national origin membership
18 and equal opportunities for employment to any citizen of
19 Illinois.

20 (b)(1) The provisions of this paragraph (b) apply to
21 collective bargaining agreements (including extensions and
22 amendments of existing agreements) entered into on or after
23 January 1, 1984.

24 (2) The Board shall deal with and enter into written
25 contracts with their employees, through accredited
26 representatives of such employees authorized to act for such

1 employees concerning wages, salaries, hours, working
2 conditions, and pension or retirement provisions about which a
3 collective bargaining agreement has been entered prior to the
4 effective date of this amendatory Act of 1983. Any such
5 agreement of the Authority shall provide that the agreement may
6 be reopened if the amended budget submitted pursuant to Section
7 2.18a of the Regional Transportation Authority Act is not
8 approved by the Board of the Regional Transportation Authority.
9 The agreement may not include a provision requiring the payment
10 of wage increases based on changes in the Consumer Price Index.
11 The Board shall not have the authority to enter into collective
12 bargaining agreements with respect to inherent management
13 rights, which include such areas of discretion or policy as the
14 functions of the employer, standards of services, its overall
15 budget, the organizational structure and selection of new
16 employees and direction of personnel. Employers, however,
17 shall be required to bargain collectively with regard to policy
18 matters directly affecting wages, hours and terms and
19 conditions of employment, as well as the impact thereon upon
20 request by employee representatives. To preserve the rights of
21 employers and exclusive representatives which have established
22 collective bargaining relationships or negotiated collective
23 bargaining agreements prior to the effective date of this
24 amendatory Act of 1983, employers shall be required to bargain
25 collectively with regard to any matter concerning wages, hours
26 or conditions of employment about which they have bargained

1 prior to the effective date of this amendatory Act of 1983.

2 (3) The collective bargaining agreement may not include a
3 prohibition on the use of part-time operators on any service
4 operated by or funded by the Board, except where prohibited by
5 federal law.

6 (4) Within 30 days of the signing of any such collective
7 bargaining agreement, the Board shall determine the costs of
8 each provision of the agreement, prepare an amended budget
9 incorporating the costs of the agreement, and present the
10 amended budget to the Board of the Regional Transportation
11 Authority for its approval under Section 4.11 of the Regional
12 Transportation Act. The Board of the Regional Transportation
13 Authority may approve the amended budget by an affirmative vote
14 of 12 ~~two-thirds~~ of its then Directors. If the budget is not
15 approved by the Board of the Regional Transportation Authority,
16 the agreement may be reopened and its terms may be
17 renegotiated. Any amended budget which may be prepared
18 following renegotiation shall be presented to the Board of the
19 Regional Transportation Authority for its approval in like
20 manner.

21 (Source: P.A. 83-886.)

22 (70 ILCS 3605/34) (from Ch. 111 2/3, par. 334)

23 Sec. 34. Budget and Program. The Authority, subject to the
24 powers of the Regional Transportation Authority in Section 4.11
25 of the Regional Transportation Authority Act, shall control the

1 finances of the Authority. It shall by ordinance appropriate
2 money to perform the Authority's purposes and provide for
3 payment of debts and expenses of the Authority. Each year the
4 Authority shall prepare and publish a comprehensive annual
5 budget and five-year capital program document, and a financial
6 plan for the 2 years thereafter describing the state of the
7 Authority and presenting for the forthcoming fiscal year and
8 the two following years the Authority's plans for such
9 operations and capital expenditures as it intends to undertake
10 and the means by which it intends to finance them. The proposed
11 budget, ~~and financial plan,~~ and five-year capital program shall
12 be based on the Regional Transportation Authority's estimate of
13 funds to be made available to the Authority by or through the
14 Regional Transportation Authority and shall conform in all
15 respects to the requirements established by the Regional
16 Transportation Authority. The proposed ~~program and budget,~~
17 financial plan, and five-year capital program shall contain a
18 statement of the funds estimated to be on hand at the beginning
19 of the fiscal year, the funds estimated to be received from all
20 sources for such year and the funds estimated to be on hand at
21 the end of such year. ~~After adoption of the Regional~~
22 ~~Transportation Authority's first Five-Year Program, as~~
23 ~~provided in Section 2.01 of the Regional Transportation~~
24 ~~Authority Act, the proposed program and budget shall~~
25 ~~specifically identify any respect in which the recommended~~
26 ~~program deviates from the Regional Transportation Authority's~~

1 ~~then existing Five Year Program, giving the reasons for such~~
2 ~~deviation.~~ The proposed ~~program and budget,~~ financial plan, and
3 five-year capital program shall be available at no cost for
4 public inspection at the Authority's main office and at the
5 Regional Transportation Authority's main office at least 3
6 weeks prior to any public hearing. Before the proposed budget,
7 ~~and program and~~ financial plan, and five-year capital program
8 are submitted to the Regional Transportation Authority, the
9 Authority shall hold at least one public hearing thereon in
10 each of the counties in which the Authority provides service.
11 All Board members of the Authority shall attend a majority of
12 the public hearings unless reasonable cause is given for their
13 absence. After the public hearings, the Board of the Authority
14 shall hold at least one meeting for consideration of the
15 proposed program and budget with the Cook County Board. After
16 conducting such hearings and holding such meetings and after
17 making such changes in the proposed ~~program and~~ budget,
18 financial plan, and five-year capital program as the Board
19 deems appropriate, it shall adopt an annual budget ordinance at
20 least by November 15th preceding the beginning of each fiscal
21 year. The budget, ~~and program, and~~ financial plan, and
22 five-year capital program shall then be submitted to the
23 Regional Transportation Authority as provided in Section 4.11
24 of the Regional Transportation Authority Act. In the event that
25 the Board of the Regional Transportation Authority determines
26 that the budget, ~~and program, and~~ financial plan, and five-year

1 capital program do not meet the standards of said Section 4.11,
2 the Board of the Authority shall make such changes as are
3 necessary to meet such requirements and adopt an amended budget
4 ordinance. The amended budget ordinance shall be resubmitted to
5 the Regional Transportation Authority pursuant to said Section
6 4.11. The ordinance shall appropriate such sums of money as are
7 deemed necessary to defray all necessary expenses and
8 obligations of the Authority, specifying purposes and the
9 objects or programs for which appropriations are made and the
10 amount appropriated for each object or program. Additional
11 appropriations, transfers between items and other changes in
12 such ordinance which do not alter the basis upon which the
13 balanced budget determination was made by the Regional
14 Transportation Authority may be made from time to time by the
15 Board.

16 The budget shall:

17 (i) show a balance between (A) anticipated revenues
18 from all sources including operating subsidies and (B) the
19 costs of providing the services specified and of funding
20 any operating deficits or encumbrances incurred in prior
21 periods, including provision for payment when due of
22 principal and interest on outstanding indebtedness;

23 (ii) show cash balances including the proceeds of any
24 anticipated cash flow borrowing sufficient to pay with
25 reasonable promptness all costs and expenses as incurred;

26 (iii) provide for a level of fares or charges and

1 operating or administrative costs for the public
2 transportation provided by or subject to the jurisdiction
3 of the Board sufficient to allow the Board to meet its
4 required system generated revenue recovery ratio as
5 determined in accordance with subsection (a) of Section
6 4.11 of the Regional Transportation Authority Act;

7 (iv) be based upon and employ assumptions and
8 projections which are reasonable and prudent;

9 (v) have been prepared in accordance with sound
10 financial practices as determined by the Board of the
11 Regional Transportation Authority; ~~and~~

12 (vi) meet such other financial, budgetary, or fiscal
13 requirements that the Board of the Regional Transportation
14 Authority may by rule or regulation establish; and ~~and~~

15 (vii) be consistent with the goals and objectives
16 adopted by the Regional Transportation Authority in the
17 Strategic Plan.

18 The Board shall establish a fiscal operating year. At least
19 thirty days prior to the beginning of the first full fiscal
20 year after the creation of the Authority, and annually
21 thereafter, the Board shall cause to be prepared a tentative
22 budget which shall include all operation and maintenance
23 expense for the ensuing fiscal year. The tentative budget shall
24 be considered by the Board and, subject to any revision and
25 amendments as may be determined, shall be adopted prior to the
26 first day of the ensuing fiscal year as the budget for that

1 year. No expenditures for operations and maintenance in excess
2 of the budget shall be made during any fiscal year except by
3 the affirmative vote of at least five members of the Board. It
4 shall not be necessary to include in the annual budget any
5 statement of necessary expenditures for pensions or retirement
6 annuities, or for interest or principal payments on bonds or
7 certificates, or for capital outlays, but it shall be the duty
8 of the Board to make provision for payment of same from
9 appropriate funds. The Board may not alter its fiscal year
10 without the prior approval of the Board of the Regional
11 Transportation Authority.

12 (Source: P.A. 87-1249.)

13 (70 ILCS 3605/46) (from Ch. 111 2/3, par. 346)

14 Sec. 46. Citizens Advisory Board. The Board shall establish
15 a citizens advisory board composed of 11 residents of those
16 portions of the metropolitan region in which the Authority
17 provides service who have an interest in public transportation,
18 one of whom shall be at least 65 years of age. The members of
19 the advisory board shall be named for 2 year terms, shall
20 select one of their members to serve as chairman and shall
21 serve without compensation. The citizens advisory board shall
22 meet with Board at least quarterly and advise the Board of the
23 impact of its policies and programs on the communities it
24 serves. Appointments to the citizens advisory board should, to
25 the greatest extent possible, reflect the ethnic, cultural, and

1 geographic diversity of all persons residing within the
2 metropolitan region in which the Authority provides service.

3 (Source: P.A. 87-226.)

4 (70 ILCS 3605/50 new)

5 Sec. 50. Disadvantaged Business Enterprise Contracting and
6 Equal Employment Opportunity Programs. The Authority shall, as
7 soon as is practicable but in no event later than two years
8 after the effective date of this amendatory Act of the 95th
9 General Assembly, establish and maintain a disadvantaged
10 business enterprise contracting program designed to ensure
11 non-discrimination in the award and administration of
12 contracts not covered under a federally mandated disadvantaged
13 business enterprise program. The program shall establish
14 narrowly tailored goals for the participation of disadvantaged
15 business enterprises as the Authority determines appropriate.
16 The goals shall be based on demonstrable evidence of the
17 availability of ready, willing, and able disadvantaged
18 business enterprises relative to all businesses ready,
19 willing, and able to participate on the program's contracts.
20 The program shall require the Authority to monitor the progress
21 of the contractors' obligations with respect to the program's
22 goals. Nothing in this program shall conflict with or interfere
23 with the maintenance or operation of, or compliance with, any
24 federally mandated disadvantaged business enterprise program.

25 The Authority shall establish and maintain a program

1 designed to promote equal employment opportunity. Each year, no
2 later than October 1, the Authority shall report to the General
3 Assembly on the number of employees of the Authority and the
4 number of employees who have designated themselves as members
5 of a minority group and gender.

6 Each year no later than October 1, and starting no later
7 than the October 1 after the establishment of the disadvantaged
8 business enterprise contracting program, the Authority shall
9 submit a report with respect to such program to the General
10 Assembly. In addition, no later than October 1 of each year,
11 the Authority shall submit a copy of its federally mandated
12 semi-annual Uniform Report of Disadvantaged Business
13 Enterprises Awards or Commitments and Payments to the General
14 Assembly.

15 (70 ILCS 3605/51 new)

16 Sec. 51. Notwithstanding any law to the contrary, no later
17 than 60 days following the effective date of this amendatory
18 Act of the 95th General Assembly, any fixed route public
19 transportation services provided by, or under grant or purchase
20 of service contracts of, the Board shall be provided without
21 charge to all senior citizens of the Metropolitan Region (as
22 such term is defined in 70 ILCS 3615/1.03) aged 65 and older,
23 under such conditions as shall be prescribed by the Board.

24 Section 16. The Local Mass Transit District Act is amended

1 by adding Section 8.6 as follows:

2 (70 ILCS 3610/8.6 new)

3 Sec. 8.6. Notwithstanding any law to the contrary, no later
4 than 60 days following the effective date of this amendatory
5 Act of the 95th General Assembly, any fixed route public
6 transportation services provided by, or under grant or purchase
7 of service contracts of, every District shall be provided
8 without charge to all senior citizens of the District aged 65
9 and older, under such conditions as shall be prescribed by the
10 District.

11 Section 20. The Regional Transportation Authority Act is
12 amended by changing Sections 1.02, 2.01, 2.04, 2.05, 2.09,
13 2.12, 2.14, 2.18a, 2.30, 3.01, 3.03, 3.05, 3A.10, 3A.11, 3A.14,
14 3B.02, 3B.03, 3B.05, 3B.07, 3B.09, 3B.10, 3B.11, 3B.12, 3B.13,
15 4.01, 4.02, 4.02a, 4.02b, 4.03, 4.04, 4.09, 4.11, 4.13, 4.14,
16 and 5.01 and by adding Sections 2.01a, 2.01b, 2.01c, 2.01d,
17 2.01e, 2.12b, 2.31, 3A.15, 3B.14, and 4.03.3 as follows:

18 (70 ILCS 3615/1.02) (from Ch. 111 2/3, par. 701.02)

19 Sec. 1.02. Findings and Purpose. (a) The General Assembly
20 finds;

21 (i) Public transportation is, as provided in Section 7 of
22 Article XIII of the Illinois Constitution, an essential public
23 purpose for which public funds may be expended and that Section

1 authorizes the State to provide financial assistance to units
2 of local government for distribution to providers of public
3 transportation. There is an urgent need to reform and continue
4 a unit of local government to assure the proper management of
5 public transportation and to receive and distribute State or
6 federal operating assistance and to raise and distribute
7 revenues for local operating assistance. System generated
8 revenues are not adequate for such service and a public need
9 exists to provide for, aid and assist public transportation in
10 the northeastern area of the State, consisting of Cook, DuPage,
11 Kane, Lake, McHenry and Will Counties.

12 (ii) Comprehensive and coordinated regional public
13 transportation is essential to the public health, safety and
14 welfare. It is essential to economic well-being, maintenance of
15 full employment, conservation of sources of energy and land for
16 open space and reduction of traffic congestion and for
17 providing and maintaining a healthful environment for the
18 benefit of present and future generations in the metropolitan
19 region. Public transportation improves the mobility of the
20 public and improves access to jobs, commercial facilities,
21 schools and cultural attractions. Public transportation
22 decreases air pollution and other environmental hazards
23 resulting from excessive use of automobiles and allows for more
24 efficient land use and planning.

25 (iii) Because system generated receipts are not presently
26 adequate, public transportation facilities and services in the

1 northeastern area are in grave financial condition. With
2 existing methods of financing, coordination and management,
3 and relative convenience of automobiles, such public
4 transportation facilities are not providing adequate public
5 transportation to insure the public health, safety and welfare.

6 (iv) Additional commitments to the ~~special~~ public
7 transportation needs ~~problems~~ of the disabled ~~handicapped~~, the
8 economically disadvantaged, and the elderly are necessary.

9 (v) To solve these problems, it is necessary to provide for
10 the creation of a regional transportation authority with the
11 powers necessary to insure adequate public transportation.

12 (b) The General Assembly further finds, in connection with
13 this amendatory Act of 1983:

14 (i) Substantial, recurring deficits in the operations of
15 public transportation services subject to the jurisdiction of
16 the Regional Transportation Authority and periodic cash
17 shortages have occurred either of which could bring about a
18 loss of public transportation services throughout the
19 metropolitan region at any time;

20 (ii) A substantial or total loss of public transportation
21 services or any segment thereof would create an emergency
22 threatening the safety and well-being of the people in the
23 northeastern area of the State; and

24 (iii) To meet the urgent needs of the people of the
25 metropolitan region that such an emergency be averted and to
26 provide financially sound methods of managing the provision of

1 public transportation services in the northeastern area of the
2 State, it is necessary, while maintaining and continuing the
3 existing Authority, to modify the powers and responsibilities
4 of the Authority, to reallocate responsibility for operating
5 decisions, to change the composition and appointment of the
6 Board of Directors thereof, and to immediately establish a new
7 Board of Directors.

8 (c) The General Assembly further finds in connection with
9 this amendatory Act of the 95th General Assembly:

10 (i) The economic vitality of northeastern Illinois
11 requires regionwide and systemwide efforts to increase
12 ridership on the transit systems, constrain road congestion
13 within the metropolitan region, and allocate resources for
14 transportation so as to assist in the development of an
15 adequate, efficient, and coordinated regional transportation
16 system that is in a state of good repair.

17 (ii) To achieve the purposes of this amendatory Act of the
18 95th General Assembly, the powers and duties of the Authority
19 must be enhanced to improve overall planning and coordination,
20 to achieve an integrated and efficient regional transit system,
21 to advance the mobility of transit users, and to increase
22 financial transparency of the Authority and the Service Boards.

23 (d) ~~(e)~~ It is the purpose of this Act to provide for, aid
24 and assist public transportation in the northeastern area of
25 the State without impairing the overall quality of existing
26 public transportation by providing for the creation of a single

1 authority responsive to the people and elected officials of the
2 area and with the power and competence to develop, implement,
3 and enforce plans that promote adequate, efficient, and
4 coordinated public transportation, provide financial review of
5 the providers of public transportation in the metropolitan
6 region and facilitate public transportation provided by
7 Service Boards which is attractive and economical to users,
8 comprehensive, coordinated among its various elements,
9 economical, safe, efficient and coordinated with area and State
10 plans.

11 (Source: P.A. 83-885; 83-886.)

12 (70 ILCS 3615/2.01) (from Ch. 111 2/3, par. 702.01)

13 Sec. 2.01. General Allocation of Responsibility for Public
14 Transportation. Provision of Public Transportation — Review
15 and Program.

16 (a) In order to accomplish the its purposes as set forth in
17 this Act, the responsibility for planning, operating, and
18 funding public transportation in the metropolitan region shall
19 be allocated as described in this Act. The Authority shall:

20 (i) adopt plans that implement the public policy of the
21 State to provide adequate, efficient, and coordinated
22 public transportation throughout the metropolitan region;

23 (ii) set goals, objectives, and standards for the
24 Authority, the Service Boards, and transportation
25 agencies;

1 (iii) develop performance measures to inform the
2 public about the extent to which the provision of public
3 transportation in the metropolitan region meets those
4 goals, objectives, and standards;

5 (iv) allocate operating and capital funds made
6 available to support public transportation in the
7 metropolitan region;

8 (v) provide financial oversight of the Service Boards;
9 and

10 (vi) coordinate the provision of public transportation
11 and the investment in public transportation facilities to
12 enhance the integration of public transportation
13 throughout the metropolitan region, all as provided in this
14 Act.

15 The ~~the~~ Service Boards shall, on a continuing basis
16 determine the level, nature and kind of public transportation
17 which should be provided for the metropolitan region in order
18 to meet the plans, goals, objectives, and standards adopted by
19 the Authority. The Service Boards may provide public
20 transportation by purchasing such service from transportation
21 agencies through purchase of service agreements, by grants to
22 such agencies or by operating such service, all pursuant to
23 this Act and the "Metropolitan Transit Authority Act", as now
24 or hereafter amended. Certain of its actions to implement the
25 responsibilities allocated to the Authority in this subsection
26 (a) shall be taken in 3 public documents adopted by the

1 affirmative vote of at least 12 of its then Directors: A
2 Strategic Plan; a Five-Year Capital Program; and an Annual
3 Budget and Two-Year Financial Plan. The Authority shall
4 establish a policy to provide adequate public transportation
5 throughout the metropolitan region.

6 (b) The Authority shall subject the operating and capital
7 plans and expenditures of the Service Boards in the
8 metropolitan region with regard to public transportation to
9 continuing review so that the Authority may budget and expend
10 its funds with maximum effectiveness and efficiency. The
11 Authority shall conduct audits of each of the Service Boards no
12 less than every 5 years. Such audits may include management,
13 performance, financial, and infrastructure condition audits.
14 The Authority may conduct management, performance, financial,
15 and infrastructure condition audits of transportation agencies
16 that receive funds from the Authority. The Authority may direct
17 a Service Board to conduct any such audit of a transportation
18 agency that receives funds from such Service Board, and the
19 Service Board shall comply with such request to the extent it
20 has the right to do so. These audits of the Service Boards or
21 transportation agencies may be project or service specific
22 audits to evaluate their achievement of the goals and
23 objectives of that project or service and their compliance with
24 any applicable requirements. Certain of its recommendations in
25 this regard shall be set forth in 2 public documents, the
26 Five Year Program provided for in this Section and an Annual

1 ~~Budget and Program provided for in Section 4.01.~~

2 ~~(c) The Authority shall, in consultation with the Service~~
3 ~~Boards, each year prepare and, by ordinance, adopt, after~~
4 ~~public hearings held in each county in the metropolitan region,~~
5 ~~a Five Year Program to inform the public and government~~
6 ~~officials of the Authority's objectives and program for~~
7 ~~operations and capital development during the forthcoming~~
8 ~~five year period. The Five Year Program shall set forth the~~
9 ~~standards of service which the public may expect; each Service~~
10 ~~Board's plans for coordinating routes and service of the~~
11 ~~various transportation agencies; the anticipated expense of~~
12 ~~providing public transportation at standards of service then~~
13 ~~existing and under alternative operating programs; the nature,~~
14 ~~location and expense of anticipated capital improvements~~
15 ~~exceeding \$250,000, by specific item and by fiscal year; and~~
16 ~~such demographic and other data developed by planning and other~~
17 ~~related agencies, as the Authority shall consider pertinent to~~
18 ~~the Service Boards' decisions as to levels and nature of~~
19 ~~service, including without limitation the patterns of~~
20 ~~population density and growth, projected commercial and~~
21 ~~residential development, environmental factors and the~~
22 ~~availability of alternative modes of transportation. The~~
23 ~~Five Year Program shall be adopted on the affirmative votes of~~
24 ~~9 of the then Directors.~~

25 (Source: P.A. 83-886.)

1 (70 ILCS 3615/2.01a new)

2 Sec. 2.01a. Strategic Plan.

3 (a) By the affirmative vote of at least 12 of its then
4 Directors, the Authority shall adopt a Strategic Plan, no less
5 than every 5 years, after consultation with the Service Boards
6 and after holding a minimum of 3 public hearings in Cook County
7 and one public hearing in each of the other counties in the
8 region. The Executive Director of the Authority shall review
9 the Strategic Plan on an ongoing basis and make recommendations
10 to the Board of the Authority with respect to any update or
11 amendment of the Strategic Plan. The Strategic Plan shall
12 describe the specific actions to be taken by the Authority and
13 the Service Boards to provide adequate, efficient, and
14 coordinated public transportation.

15 (b) The Strategic Plan shall identify goals and objectives
16 with respect to:

17 (i) increasing ridership and passenger miles on public
18 transportation funded by the Authority;

19 (ii) coordination of public transportation services
20 and the investment in public transportation facilities to
21 enhance the integration of public transportation
22 throughout the metropolitan region;

23 (iii) coordination of fare and transfer policies to
24 promote transfers by riders among Service Boards,
25 transportation agencies, and public transportation modes,
26 which may include goals and objectives for development of a

1 universal fare instrument that riders may use
2 interchangeably on all public transportation funded by the
3 Authority, and methods to be used to allocate revenues from
4 transfers;

5 (iv) improvements in public transportation facilities
6 to bring those facilities into a state of good repair,
7 enhancements that attract ridership and improve customer
8 service, and expansions needed to serve areas with
9 sufficient demand for public transportation;

10 (v) access for transit-dependent populations,
11 including access by low-income communities to places of
12 employment, utilizing analyses provided by the Chicago
13 Metropolitan Agency for Planning regarding employment and
14 transportation availability, and giving consideration to
15 the location of employment centers in each county and the
16 availability of public transportation at off-peak hours
17 and on weekends;

18 (vi) the financial viability of the public
19 transportation system, including both operating and
20 capital programs;

21 (vii) limiting road congestion within the metropolitan
22 region and enhancing transit options to improve mobility;
23 and

24 (viii) such other goals and objectives that advance the
25 policy of the State to provide adequate, efficient, and
26 coordinated public transportation in the metropolitan

1 region.

2 (c) The Strategic Plan shall establish the process and
3 criteria by which proposals for capital improvements by a
4 Service Board or a transportation agency will be evaluated by
5 the Authority for inclusion in the Five-Year Capital Program,
6 which may include criteria for:

7 (i) allocating funds among maintenance, enhancement,
8 and expansion improvements;

9 (ii) projects to be funded from the Innovation,
10 Coordination, and Enhancement Fund;

11 (iii) projects intended to improve or enhance
12 ridership or customer service;

13 (iv) design and location of station or transit
14 improvements intended to promote transfers, increase
15 ridership, and support transit-oriented land development;

16 (v) assessing the impact of projects on the ability to
17 operate and maintain the existing transit system; and

18 (vi) other criteria that advance the goals and
19 objectives of the Strategic Plan.

20 (d) The Strategic Plan shall establish performance
21 standards and measurements regarding the adequacy, efficiency,
22 and coordination of public transportation services in the
23 region and the implementation of the goals and objectives in
24 the Strategic Plan. At a minimum, such standards and measures
25 shall include customer-related performance data measured by
26 line, route, or sub-region, as determined by the Authority, on

1 the following:

2 (i) travel times and on-time performance;

3 (ii) ridership data;

4 (iii) equipment failure rates;

5 (iv) employee and customer safety; and

6 (v) customer satisfaction.

7 The Service Boards and transportation agencies that
8 receive funding from the Authority or Service Boards shall
9 prepare, publish, and submit to the Authority such reports with
10 regard to these standards and measurements in the frequency and
11 form required by the Authority; however, the frequency of such
12 reporting shall be no less than annual. The Service Boards
13 shall publish such reports on their respective websites. The
14 Authority shall compile and publish such reports on its
15 website. Such performance standards and measures shall not be
16 used as the basis for disciplinary action against any employee
17 of the Authority or Service Boards, except to the extent the
18 employment and disciplinary practices of the Authority or
19 Service Board provide for such action.

20 (e) The Strategic Plan shall identify innovations to
21 improve the delivery of public transportation and the
22 construction of public transportation facilities.

23 (f) The Strategic Plan shall describe the expected
24 financial condition of public transportation in the
25 metropolitan region prospectively over a 10-year period, which
26 may include information about the cash position and all known

1 obligations of the Authority and the Service Boards including
2 operating expenditures, debt service, contributions for
3 payment of pension and other post-employment benefits, the
4 expected revenues from fares, tax receipts, grants from the
5 federal, State, and local governments for operating and capital
6 purposes and issuance of debt, the availability of working
7 capital, and the resources needed to achieve the goals and
8 objectives described in the Strategic Plan.

9 (g) In developing the Strategic Plan, the Authority shall
10 rely on such demographic and other data, forecasts, and
11 assumptions developed by the Chicago Metropolitan Agency for
12 Planning with respect to the patterns of population density and
13 growth, projected commercial and residential development, and
14 environmental factors, within the metropolitan region and in
15 areas outside the metropolitan region that may impact public
16 transportation utilization in the metropolitan region. Before
17 adopting or amending any Strategic Plan, the Authority shall
18 consult with the Chicago Metropolitan Agency for Planning
19 regarding the consistency of the Strategic Plan with the
20 Regional Comprehensive Plan adopted pursuant to the Regional
21 Planning Act.

22 (h) The Authority may adopt, by the affirmative vote of at
23 least 12 of its then Directors, sub-regional or corridor plans
24 for specific geographic areas of the metropolitan region in
25 order to improve the adequacy, efficiency, and coordination of
26 existing, or the delivery of new, public transportation. Such

1 plans may also address areas outside the metropolitan region
2 that may impact public transportation utilization in the
3 metropolitan region. In preparing a sub-regional or corridor
4 plan, the Authority may identify changes in operating practices
5 or capital investment in the sub-region or corridor that could
6 increase ridership, reduce costs, improve coordination, or
7 enhance transit-oriented development. The Authority shall
8 consult with any affected Service Boards in the preparation of
9 any sub-regional or corridor plans.

10 (i) If the Authority determines, by the affirmative vote of
11 at least 12 of its then Directors, that, with respect to any
12 proposed new public transportation service or facility, (i)
13 multiple Service Boards or transportation agencies are
14 potential service providers and (ii) the public transportation
15 facilities to be constructed or purchased to provide that
16 service have an expected construction cost of more than
17 \$25,000,000, the Authority shall have sole responsibility for
18 conducting any alternatives analysis and preliminary
19 environmental assessment required by federal or State law.
20 Nothing in this subparagraph (i) shall prohibit a Service Board
21 from undertaking alternatives analysis and preliminary
22 environmental assessment for any public transportation service
23 or facility identified in items (i) and (ii) above that is
24 included in the Five-Year Capital Program as of the effective
25 date of this amendatory Act of the 95th General Assembly;
26 however, any expenditure related to any such public

1 transportation service or facility must be included in a
2 Five-Year Capital Program under the requirements of Sections
3 2.01b and 4.02 of this Act.

4 (70 ILCS 3615/2.01b new)

5 Sec. 2.01b. The Five-Year Capital Program. By the
6 affirmative vote of at least 12 of its then Directors, the
7 Authority, after consultation with the Service Boards and after
8 holding a minimum of 3 public hearings in Cook County and one
9 public hearing in each of the other counties in the
10 metropolitan region, shall each year adopt a Five-Year Capital
11 Program that shall include each capital improvement to be
12 undertaken by or on behalf of a Service Board provided that the
13 Authority finds that the improvement meets any criteria for
14 capital improvements contained in the Strategic Plan, is not
15 inconsistent with any sub-regional or corridor plan adopted by
16 the Authority, and can be funded within amounts available with
17 respect to the capital and operating costs of such improvement.
18 In reviewing proposals for improvements to be included in a
19 Five-Year Capital Program, the Authority may give priority to
20 improvements that are intended to bring public transportation
21 facilities into a state of good repair. The Five-Year Capital
22 Program shall also identify capital improvements to be
23 undertaken by a Service Board, a transportation agency, or a
24 unit of local government and funded by the Authority from
25 amounts in the Innovation, Coordination, and Enhancement Fund,

1 provided that no improvement that is included in the Five-Year
2 Capital Program as of the effective date of this amendatory Act
3 of the 95th General Assembly may receive funding from the
4 Innovation, Coordination, and Enhancement Fund. Before
5 adopting a Five-Year Capital Program, the Authority shall
6 consult with the Chicago Metropolitan Agency for Planning
7 regarding the consistency of the Five-Year Capital Program with
8 the Regional Comprehensive Plan adopted pursuant to the
9 Regional Planning Act.

10 (70 ILCS 3615/2.01c new)

11 Sec. 2.01c. Innovation, Coordination, and Enhancement
12 Fund.

13 (a) The Authority shall establish an Innovation,
14 Coordination, and Enhancement Fund and each year deposit into
15 the Fund the amounts directed by Section 4.03.3 of this Act.
16 Amounts on deposit in such Fund and interest and other earnings
17 on those amounts may be used by the Authority, upon the
18 affirmative vote of 12 of its then Directors, and after a
19 public participation process, for operating or capital grants
20 or loans to Service Boards, transportation agencies, or units
21 of local government that advance the goals and objectives
22 identified by the Authority in its Strategic Plan, provided
23 that no improvement that has been included in a Five-Year
24 Capital Program as of the effective date of this amendatory Act
25 of the 95th General Assembly may receive any funding from the

1 Innovation, Coordination, and Enhancement Fund. Unless the
2 Board has determined by a vote of 12 of its then Directors that
3 an emergency exists requiring the use of some or all of the
4 funds then in the Innovation, Coordination, and Enhancement
5 Fund, such funds may only be used to enhance the coordination
6 and integration of public transportation and develop and
7 implement innovations to improve the quality and delivery of
8 public transportation.

9 (b) Any grantee that receives funds from the Innovation,
10 Coordination, and Enhancement Fund for the operation of
11 eligible programs must (i) implement such programs within one
12 year of receipt of such funds and (ii) within 2 years following
13 commencement of any program utilizing such funds, determine
14 whether it is desirable to continue the program, and upon such
15 a determination, either incorporate such program into its
16 annual operating budget and capital program or discontinue such
17 program. No additional funds from the Innovation,
18 Coordination, and Enhancement Fund may be distributed to a
19 grantee for any individual program beyond 2 years unless the
20 Authority by the affirmative vote of at least 12 of its then
21 Directors waives this limitation. Any such waiver will be with
22 regard to an individual program and with regard to a one
23 year-period, and any further waivers for such individual
24 program require a subsequent vote of the Board.

1 Sec. 2.01d. ADA Paratransit Fund. The Authority shall
2 establish an ADA Paratransit Fund and, each year, deposit into
3 that Fund the amounts directed by Section 4.03.3 of this Act
4 and any funds received from the State pursuant to
5 appropriations for the purpose of funding ADA paratransit
6 services. The amounts on deposit in the Fund and interest and
7 other earnings on those amounts shall be used by the Authority
8 to make grants to the Suburban Bus Board for ADA paratransit
9 services provided pursuant to plans approved by the Authority
10 under Section 2.30 of this Act. Funds received by the Suburban
11 Bus Board from the Authority's ADA Paratransit Fund shall be
12 used only to provide ADA paratransit services to individuals
13 who are determined to be eligible for such services by the
14 Authority under the Americans with Disabilities Act of 1990 and
15 its implementing regulations. Revenues from and costs of
16 services provided by the Suburban Bus Board with grants made
17 under this Section shall be included in the Annual Budget and
18 Two-Year Financial Program of the Suburban Bus Board and shall
19 be subject to all budgetary and financial requirements under
20 this Act that apply to ADA paratransit services. Beginning in
21 2008, the Executive Director shall, no later than August 15 of
22 each year, provide to the Board a written determination of the
23 projected annual costs of ADA paratransit services that are
24 required to be provided pursuant to the Americans with
25 Disabilities Act of 1990 and its implementing regulations. The
26 Authority shall conduct triennial financial, compliance, and

1 performance audits of ADA paratransit services to assist in
2 this determination.

3 (70 ILCS 3615/2.01e new)

4 Sec. 2.01e. Suburban Community Mobility Fund. The
5 Authority shall establish a Suburban Community Mobility Fund
6 and, each year, deposit into that Fund the amounts directed by
7 Section 4.03.3 of this Act. The amounts on deposit in the Fund
8 and interest and other earnings on those amounts shall be used
9 by the Authority to make grants to the Suburban Bus Board for
10 the purpose of operating transit services, other than
11 traditional fixed-route services, that enhance suburban
12 mobility, including, but not limited to, demand-responsive
13 transit services, ride sharing, van pooling, service
14 coordination, centralized dispatching and call taking, reverse
15 commuting, service restructuring, and bus rapid transit.
16 Revenues from and costs of services provided by the Suburban
17 Bus Board with moneys from the Suburban Community Mobility Fund
18 shall be included in the Annual Budget and Two-Year Financial
19 Program of the Suburban Bus Board and shall be subject to all
20 budgetary and financial requirements under this Act.

21 (70 ILCS 3615/2.04) (from Ch. 111 2/3, par. 702.04)

22 Sec. 2.04. Fares and Nature of Service.

23 (a) Whenever a Service Board provides any public
24 transportation by operating public transportation facilities,

1 the Service Board shall provide for the level and nature of
2 fares or charges to be made for such services, and the nature
3 and standards of public transportation to be so provided that
4 meet the goals and objectives adopted by the Authority in the
5 Strategic Plan. Provided, however that if the Board adopts a
6 budget and financial plan for a Service Board in accordance
7 with the provisions in Section 4.11(b)(5), the Board may
8 consistent with the terms of any purchase of service contract
9 provide for the level and nature of fares to be made for such
10 services under the jurisdiction of that Service Board, and the
11 nature and standards of public transportation to be so
12 provided.

13 (b) Whenever a Service Board provides any public
14 transportation pursuant to grants made after June 30, 1975, to
15 transportation agencies for operating expenses (other than
16 with regard to experimental programs) or pursuant to any
17 purchase of service agreement, the purchase of service
18 agreement or grant contract shall provide for the level and
19 nature of fares or charges to be made for such services, and
20 the nature and standards of public transportation to be so
21 provided. A Service Board shall require all transportation
22 agencies with which it contracts, or from which it purchases
23 transportation services or to which it makes grants to provide
24 half fare transportation for their student riders if any of
25 such agencies provide for half fare transportation to their
26 student riders.

1 (c) In so providing for the fares or charges and the nature
2 and standards of public transportation, any purchase of service
3 agreements or grant contracts shall provide, among other
4 matters, for the terms or cost of transfers or interconnections
5 between different modes of transportation and different public
6 transportation agencies, schedules or routes of such service,
7 changes which may be made in such service, the nature and
8 condition of the facilities used in providing service, the
9 manner of collection and disposition of fares or charges, the
10 records and reports to be kept and made concerning such
11 service, ~~and~~ for interchangeable tickets or other coordinated
12 or uniform methods of collection of charges, and shall further
13 require that the transportation agency comply with any
14 determination made by the Board of the Authority under and
15 subject to the provisions of Section 2.12b of this Act. In
16 regard to any such service, the Authority and the Service
17 Boards shall give attention to and may undertake programs to
18 promote use of public transportation and to provide coordinated
19 ticket sales and passenger information. In the case of a grant
20 to a transportation agency which remains subject to Illinois
21 Commerce Commission supervision and regulation, the Service
22 Boards shall exercise the powers set forth in this Section in a
23 manner consistent with such supervision and regulation by the
24 Illinois Commerce Commission.

25 (Source: P.A. 83-886.)

1 (70 ILCS 3615/2.05) (from Ch. 111 2/3, par. 702.05)

2 Sec. 2.05. Centralized Services; Acquisition and
3 Construction.

4 (a) The Authority may at the request of two or more Service
5 Boards, serve, or designate a Service Board to serve, as a
6 centralized purchasing agent for the Service Boards so
7 requesting.

8 (b) The Authority may at the request of two or more Service
9 Boards perform other centralized services such as ridership
10 information and transfers between services under the
11 jurisdiction of the Service Boards where such centralized
12 services financially benefit the region as a whole. Provided,
13 however, that the Board may require transfers only upon an
14 affirmative vote of 12 ~~9~~ of its then Directors.

15 (c) A Service Board or the Authority may for the benefit of
16 a Service Board, to meet its purposes, construct or acquire any
17 public transportation facility for use by a Service Board or
18 for use by any transportation agency and may acquire any such
19 facilities from any transportation agency, including also
20 without limitation any reserve funds, employees' pension or
21 retirement funds, special funds, franchises, licenses,
22 patents, permits and papers, documents and records of the
23 agency. In connection with any such acquisition from a
24 transportation agency the Authority may assume obligations of
25 the transportation agency with regard to such facilities or
26 property or public transportation operations of such agency.

1 In connection with any construction or acquisition, the
2 Authority shall make relocation payments as may be required by
3 federal law or by the requirements of any federal agency
4 authorized to administer any federal program of aid.

5 (d) The Authority shall, after consulting with the Service
6 Boards, develop regionally coordinated and consolidated sales,
7 marketing, advertising, and public information programs that
8 promote the use and coordination of, and transfers among,
9 public transportation services in the metropolitan region. The
10 Authority shall develop and adopt, with the affirmative vote of
11 at least 12 of its then Directors, rules and regulations for
12 the Authority and the Service Boards regarding such programs to
13 ensure that the Service Boards' independent programs conform
14 with the Authority's regional programs.

15 (Source: P.A. 83-886.)

16 (70 ILCS 3615/2.09) (from Ch. 111 2/3, par. 702.09)
17 Sec. 2.09. Research and Development.

18 (a) The Authority and the Service Boards shall study public
19 transportation problems and developments; encourage
20 experimentation in developing new public transportation
21 technology, financing methods, and management procedures;
22 conduct, in cooperation with other public and private agencies,
23 studies and demonstration and development projects to test and
24 develop methods for improving public transportation, for
25 reducing its costs to users or for increasing public use; and

1 conduct, sponsor, and participate in other studies and
2 experiments, which may include fare demonstration programs,
3 useful to achieving the purposes of this Act. The cost for any
4 such item authorized by this Section may be exempted by the
5 Board in a budget ordinance from the "costs" included in
6 determining that the Authority and its service boards meet the
7 farebox recovery ratio or system generated revenues recovery
8 ratio requirements of Sections 3A.10, 3B.10, 4.01(b), 4.09 and
9 4.11 of this Act and Section 34 of the Metropolitan Transit
10 Authority Act during the Authority's fiscal year which begins
11 January 1, 1986 and ends December 31, 1986, provided that the
12 cost of any item authorized herein must be specifically
13 approved within the budget adopted pursuant to Sections 4.01
14 and 4.11 of this Act for that fiscal year.

15 (b) To improve public transportation service in areas of
16 the metropolitan region with limited access to commuter rail
17 service, the Authority and the Suburban Bus Division shall
18 evaluate the feasibility of implementing new bus rapid transit
19 services using the expressway and tollway systems in the
20 metropolitan region. The Illinois Department of Transportation
21 and the Illinois Toll Highway Authority shall work
22 cooperatively with the Authority and the Suburban Bus Division
23 in that evaluation and in the implementation of bus rapid
24 transit services. The Authority and the Suburban Bus Division,
25 in cooperation with the Illinois Department of Transportation,
26 shall develop a bus rapid transit demonstration project on

1 Interstate 55 located in Will, DuPage, and Cook Counties. This
2 demonstration project shall test and refine approaches to bus
3 rapid transit operations in the expressway or tollway shoulder
4 or regular travel lanes and shall investigate technology
5 options that facilitate the shared use of the transit lane and
6 provide revenue for financing construction and operation of
7 public transportation facilities.

8 (c) The Suburban Bus Division and the Authority shall
9 cooperate in the development, funding, and operation of
10 programs to enhance access to job markets for residents in
11 south suburban Cook County. Beginning in 2008, the Authority
12 shall allocate to the Suburban Bus Division an amount not less
13 than \$3,750,000, and beginning in 2009 an amount not less than
14 \$7,500,000 annually for the costs of such programs.

15 (Source: P.A. 84-939.)

16 (70 ILCS 3615/2.12) (from Ch. 111 2/3, par. 702.12)

17 Sec. 2.12. Coordination with Planning Agencies. The
18 Authority and the Service Boards shall cooperate with the
19 various public agencies charged with responsibility for
20 long-range or comprehensive planning for the metropolitan
21 region. The Authority shall utilize the official forecasts and
22 plans of the Chicago Metropolitan Agency for Planning in
23 developing the Strategic Plan and the Five-Year Capital
24 Program. The Authority and the Service Boards shall, prior to
25 the adoption of any Strategic Plan, as provided in Section

1 2.01a of this Act, or the adoption of any Five-Year Capital
2 Program, as provided in ~~paragraph (b) of~~ Section 2.01b ~~2.01~~ of
3 this Act, submit its proposals to such agencies for review and
4 comment. The Authority and the Service Boards may make use of
5 existing studies, surveys, plans, data and other materials in
6 the possession of any State agency or department, any planning
7 agency or any unit of local government.

8 (Source: P.A. 83-886.)

9 (70 ILCS 3615/2.12b new)

10 Sec. 2.12b. Coordination of Fares and Service. Upon the
11 request of a Service Board, the Executive Director of the
12 Authority may, upon the affirmative vote of 9 of the then
13 Directors of the Authority, intervene in any matter involving
14 (i) a dispute between Service Boards or a Service Board and a
15 transportation agency providing service on behalf of a Service
16 Board with respect to the terms of transfer between, and the
17 allocation of revenues from fares and charges for,
18 transportation services provided by the parties or (ii) a
19 dispute between 2 Service Boards with respect to coordination
20 of service, route duplication, or a change in service. Any
21 Service Board or transportation agency involved in such dispute
22 shall meet with the Executive Director, cooperate in good faith
23 to attempt to resolve the dispute, and provide any books,
24 records, and other information requested by the Executive
25 Director. If the Executive Director is unable to mediate a

1 resolution of any dispute, he or she may provide a written
2 determination recommending a change in the fares or charges or
3 the allocation of revenues for such service or directing a
4 change in the nature or provider of service that is the subject
5 of the dispute. The Executive Director shall base such
6 determination upon the goals and objectives of the Strategic
7 Plan established pursuant to Section 2.01a(b). Such
8 determination shall be presented to the Board of the Authority
9 and, if approved by the affirmative vote of at least 9 of the
10 then Directors of the Authority, shall be final and shall be
11 implemented by any affected Service Board and transportation
12 agency within the time frame required by the determination.

13 (70 ILCS 3615/2.14) (from Ch. 111 2/3, par. 702.14)
14 Sec. 2.14. Appointment of Officers and Employees. The
15 Authority may appoint, retain and employ officers, attorneys,
16 agents, engineers and employees. The officers shall include an
17 Executive Director, who shall be the chief executive officer of
18 the Authority, appointed by the Chairman with the concurrence
19 of 11 ~~9~~ of the other then Directors of the Board. The Executive
20 Director shall organize the staff of the Authority, shall
21 allocate their functions and duties, shall transfer such staff
22 to the Suburban Bus Division and the Commuter Rail Division as
23 is sufficient to meet their purposes, shall fix compensation
24 and conditions of employment of the staff of the Authority, and
25 consistent with the policies of and direction from the Board,

1 take all actions necessary to achieve its purposes, fulfill its
2 responsibilities and carry out its powers, and shall have such
3 other powers and responsibilities as the Board shall determine.
4 The Executive Director must be an individual of proven
5 transportation and management skills and may not be a member of
6 the Board. The Authority may employ its own professional
7 management personnel to provide professional and technical
8 expertise concerning its purposes and powers and to assist it
9 in assessing the performance of the Service Boards in the
10 metropolitan region.

11 No unlawful discrimination, as defined and prohibited in
12 the Illinois Human Rights Act, shall be made in any term or
13 aspect of employment nor shall there be discrimination based
14 upon political reasons or factors. The Authority shall
15 establish regulations to insure that its discharges shall not
16 be arbitrary and that hiring and promotion are based on merit.

17 The Authority shall be subject to the "Illinois Human
18 Rights Act", as now or hereafter amended, and the remedies and
19 procedure established thereunder. The Authority shall file an
20 affirmative action program for employment by it with the
21 Department of Human Rights to ensure that applicants are
22 employed and that employees are treated during employment,
23 without regard to unlawful discrimination. Such affirmative
24 action program shall include provisions relating to hiring,
25 upgrading, demotion, transfer, recruitment, recruitment
26 advertising, selection for training and rates of pay or other

1 forms of compensation.

2 (Source: P.A. 83-886.)

3 (70 ILCS 3615/2.18a) (from Ch. 111 2/3, par. 702.18a)

4 Sec. 2.18a. (a) The provisions of this Section apply to
5 collective bargaining agreements (including extensions and
6 amendments to existing agreements) between Service Boards or
7 transportation agencies subject to the jurisdiction of Service
8 Boards and their employees, which are entered into after
9 January 1, 1984.

10 (b) The Authority shall approve amended budgets prepared by
11 Service Boards which incorporate the costs of collective
12 bargaining agreements between Service Boards and their
13 employees. The Authority shall approve such an amended budget
14 provided that it determines by the affirmative vote of 12 ~~9~~ of
15 its then members that the amended budget meets the standards
16 established in Section 4.11.

17 (Source: P.A. 83-886.)

18 (70 ILCS 3615/2.30)

19 Sec. 2.30. Paratransit services.

20 (a) For purposes of this Act, "ADA paratransit services"
21 shall mean those comparable or specialized transportation
22 services provided by, or under grant or purchase of service
23 contracts of, the Service Boards to individuals with
24 disabilities who are unable to use fixed route transportation

1 systems and who are determined to be eligible, for some or all
2 of their trips, for such services under the Americans with
3 Disabilities Act of 1990 and its implementing regulations.

4 (b) Beginning July 1, 2005, the Authority is responsible
5 for the funding, from amounts on deposit in the ADA Paratransit
6 Fund established under Section 2.01d of this Act, financial
7 review and oversight of all ADA paratransit services that are
8 provided by the Authority or by any of the Service Boards. The
9 Suburban Bus Board shall operate or provide for the operation
10 of all ADA paratransit services by no later than July 1, 2006,
11 except that this date may be extended to the extent necessary
12 to obtain approval from the Federal Transit Administration of
13 the plan prepared pursuant to subsection (c).

14 (c) No later than January 1, 2006, the Authority, in
15 collaboration with the Suburban Bus Board and the Chicago
16 Transit Authority, shall develop a plan for the provision of
17 ADA paratransit services and submit such plan to the Federal
18 Transit Administration for approval. Approval of such plan by
19 the Authority shall require the affirmative votes of 12 ~~9~~ of
20 the then Directors. The Suburban Bus Board, the Chicago Transit
21 Authority and the Authority shall comply with the requirements
22 of the Americans with Disabilities Act of 1990 and its
23 implementing regulations in developing and approving such plan
24 including, without limitation, consulting with individuals
25 with disabilities and groups representing them in the
26 community, and providing adequate opportunity for public

1 comment and public hearings. The plan shall include the
2 contents required for a paratransit plan pursuant to the
3 Americans with Disabilities Act of 1990 and its implementing
4 regulations. The plan shall also include, without limitation,
5 provisions to:

6 (1) maintain, at a minimum, the levels of ADA
7 paratransit service that are required to be provided by the
8 Service Boards pursuant to the Americans with Disabilities
9 Act of 1990 and its implementing regulations;

10 (2) transfer the appropriate ADA paratransit services,
11 management, personnel, service contracts and assets from
12 the Chicago Transit Authority to the Authority or the
13 Suburban Bus Board, as necessary, by no later than July 1,
14 2006, except that this date may be extended to the extent
15 necessary to obtain approval from the Federal Transit
16 Administration of the plan prepared pursuant to this
17 subsection (c);

18 (3) provide for consistent policies throughout the
19 metropolitan region for scheduling of ADA paratransit
20 service trips to and from destinations, with consideration
21 of scheduling of return trips on a "will-call" open-ended
22 basis upon request of the rider, if practicable, and with
23 consideration of an increased number of trips available by
24 subscription service than are available as of the effective
25 date of this amendatory Act;

26 (4) provide that service contracts and rates, entered

1 into or set after the approval by the Federal Transit
2 Administration of the plan prepared pursuant to subsection
3 (c) of this Section, with private carriers and taxicabs for
4 ADA paratransit service are procured by means of an open
5 procurement process;

6 (5) provide for fares, fare collection and billing
7 procedures for ADA paratransit services throughout the
8 metropolitan region;

9 (6) provide for performance standards for all ADA
10 paratransit service transportation carriers, with
11 consideration of door-to-door service;

12 (7) provide, in cooperation with the Illinois
13 Department of Transportation, the Illinois Department of
14 Public Aid and other appropriate public agencies and
15 private entities, for the application and receipt of
16 grants, including, without limitation, reimbursement from
17 Medicaid or other programs for ADA paratransit services;

18 (8) provide for a system of dispatch of ADA paratransit
19 services transportation carriers throughout the
20 metropolitan region, with consideration of county-based
21 dispatch systems already in place as of the effective date
22 of this amendatory Act;

23 (9) provide for a process of determining eligibility
24 for ADA paratransit services that complies with the
25 Americans with Disabilities Act of 1990 and its
26 implementing regulations;

1 (10) provide for consideration of innovative methods
2 to provide and fund ADA paratransit services; and

3 (11) provide for the creation of one or more ADA
4 advisory boards, or the reconstitution of the existing ADA
5 advisory boards for the Service Boards, to represent the
6 diversity of individuals with disabilities in the
7 metropolitan region and to provide appropriate ongoing
8 input from individuals with disabilities into the
9 operation of ADA paratransit services.

10 (d) All revisions and annual updates to the ADA paratransit
11 services plan developed pursuant to subsection (c) of this
12 Section, or certifications of continued compliance in lieu of
13 plan updates, that are required to be provided to the Federal
14 Transit Administration shall be developed by the Authority, in
15 collaboration with the Suburban Bus Board and the Chicago
16 Transit Authority, and the Authority shall submit such
17 revision, update or certification to the Federal Transit
18 Administration for approval. Approval of such revisions,
19 updates or certifications by the Authority shall require the
20 affirmative votes of 12 ~~9~~ of the then Directors.

21 (e) The Illinois Department of Transportation, the
22 Illinois Department of Public Aid, the Authority, the Suburban
23 Bus Board and the Chicago Transit Authority shall enter into
24 intergovernmental agreements as may be necessary to provide
25 funding and accountability for, and implementation of, the
26 requirements of this Section.

1 (f) By no later than April 1, 2007, the Authority shall
2 develop and submit to the General Assembly and the Governor a
3 funding plan for ADA paratransit services. Approval of such
4 plan by the Authority shall require the affirmative votes of 12
5 ~~9~~ of the then Directors. The funding plan shall, at a minimum,
6 contain an analysis of the current costs of providing ADA
7 paratransit services, projections of the long-term costs of
8 providing ADA paratransit services, identification of and
9 recommendations for possible cost efficiencies in providing
10 ADA paratransit services, and identification of and
11 recommendations for possible funding sources for providing ADA
12 paratransit services. The Illinois Department of
13 Transportation, the Illinois Department of Public Aid, the
14 Suburban Bus Board, the Chicago Transit Authority and other
15 State and local public agencies as appropriate shall cooperate
16 with the Authority in the preparation of such funding plan.

17 (g) Any funds derived from the federal Medicaid program for
18 reimbursement of the costs of providing ADA paratransit
19 services within the metropolitan region shall be directed to
20 the Authority and shall be used to pay for or reimburse the
21 costs of providing such services.

22 (h) Nothing in this amendatory Act shall be construed to
23 conflict with the requirements of the Americans with
24 Disabilities Act of 1990 and its implementing regulations.

25 (Source: P.A. 94-370, eff. 7-29-05.)

1 (70 ILCS 3615/2.31 new)

2 Sec. 2.31. Disadvantaged Business Enterprise Contracting
3 and Equal Employment Opportunity Programs. The Authority and
4 each Service Board shall, as soon as is practicable but in no
5 event later than two years after the effective date of this
6 amendatory Act of the 95th General Assembly, establish and
7 maintain a disadvantaged business enterprise contracting
8 program designed to ensure non-discrimination in the award and
9 administration of contracts not covered under a federally
10 mandated disadvantaged business enterprise program. The
11 program shall establish narrowly tailored goals for the
12 participation of disadvantaged business enterprises as the
13 Authority and each Service Board determines appropriate. The
14 goals shall be based on demonstrable evidence of the
15 availability of ready, willing, and able disadvantaged
16 business enterprises relative to all businesses ready,
17 willing, and able to participate on the program's contracts.
18 The program shall require the Authority and each Service Board
19 to monitor the progress of the contractors' obligations with
20 respect to the program's goals. Nothing in this program shall
21 conflict with or interfere with the maintenance or operation
22 of, or compliance with, any federally mandated disadvantaged
23 business enterprise program.

24 The Authority and each Service Board shall establish and
25 maintain a program designed to promote equal employment
26 opportunity. Each year, no later than October 1, the Authority

1 and each Service Board shall report to the General Assembly on
2 the number of their respective employees and the number of
3 their respective employees who have designated themselves as
4 members of a minority group and gender.

5 Each year no later than October 1, and starting no later
6 than the October 1 after the establishment of their
7 disadvantaged business enterprise contracting programs, the
8 Authority and each Service Board shall submit a report with
9 respect to such program to the General Assembly. In addition,
10 each year no later than October 1, the Authority and each
11 Service Board shall submit a copy of its federally mandated
12 semi-annual Uniform Report of Disadvantaged Business
13 Enterprises Awards or Commitments and Payments to the General
14 Assembly.

15 (70 ILCS 3615/3.01) (from Ch. 111 2/3, par. 703.01)

16 Sec. 3.01. Board of Directors. ~~The~~ ~~Upon expiration of the~~
17 ~~term of the members of the Transition Board as provided for in~~
18 ~~Section 3.09, the~~ corporate authorities and governing body of
19 the Authority shall be a Board consisting of 13 Directors until
20 April 1, 2008, and 16 Directors thereafter, appointed as
21 follows:

22 (a) Four Directors appointed by the Mayor of the City of
23 Chicago, with the advice and consent of the City Council of the
24 City of Chicago, and, only until April 1, 2008, a fifth
25 director who shall be the Chairman of the Chicago Transit

1 Authority. After April 1, 2008, the Mayor of the City of
2 Chicago, with the advice and consent of the City Council of the
3 City of Chicago, shall appoint a fifth Director. The Directors
4 appointed by the Mayor of the City of Chicago shall not be the
5 Chairman or a Director of the Chicago Transit Authority. Each
6 such Director shall reside in the City of Chicago ~~except the~~
7 ~~Chairman of the Chicago Transit Authority who shall reside~~
8 ~~within the metropolitan area as defined in the Metropolitan~~
9 ~~Transit Authority Act.~~

10 (b) Four Directors appointed by the votes of a majority of
11 the members of the Cook County Board elected from ~~that part of~~
12 ~~Cook County outside of Chicago, or, in the event such Board of~~
13 ~~Commissioners becomes elected from single member districts, by~~
14 ~~those Commissioners elected from~~ districts, a majority of the
15 electors of which reside outside Chicago. After April 1, 2008,
16 a fifth Director appointed by the President of the Cook County
17 Board with the advice and consent of the members of the Cook
18 County Board. ~~In either case, such appointment shall be with~~
19 ~~the concurrence of four such Commissioners.~~ Each ~~such~~ Director
20 appointed under this subparagraph shall reside in that part of
21 Cook County outside Chicago.

22 (c) Until April 1, 2008, 3 Directors appointed by the
23 Chairmen of the County Boards of DuPage, Kane, Lake, McHenry,
24 and Will Counties, as follows:

25 (i) Two Directors appointed by the Chairmen of the
26 county boards of Kane, Lake, McHenry and Will Counties,

1 with the concurrence of not less than a majority of the
2 Chairmen from such counties, from nominees by the Chairmen.
3 Each such Chairman may nominate not more than 2 persons for
4 each position. Each such Director shall reside in a county
5 in the metropolitan region other than Cook or DuPage
6 Counties.

7 (ii) ~~(d)~~ One Director ~~shall be~~ appointed by the
8 Chairman of the ~~Board of~~ DuPage County Board with the
9 advice and consent of the ~~County Board of~~ DuPage County
10 Board. Such Director ~~and~~ shall reside in DuPage County.

11 (d) After April 1, 2008, 5 Directors appointed by the
12 Chairmen of the County Boards of DuPage, Kane, Lake and McHenry
13 Counties and the County Executive of Will County, as follows:

14 (i) One Director appointed by the Chairman of the Kane
15 County Board with the advice and consent of the Kane County
16 Board. Such Director shall reside in Kane County.

17 (ii) One Director appointed by the County Executive of
18 Will County with the advice and consent of the Will County
19 Board. Such Director shall reside in Will County.

20 (iii) One Director appointed by the Chairman of the
21 DuPage County Board with the advice and consent of the
22 DuPage County Board. Such Director shall reside in DuPage
23 County.

24 (iv) One Director appointed by the Chairman of the Lake
25 County Board with the advice and consent of the Lake County
26 Board. Such Director shall reside in Lake County.

1 (v) One Director appointed by the Chairman of the
2 McHenry County Board with the advice and consent of the
3 McHenry County Board. Such Director shall reside in McHenry
4 County.

5 (vi) To implement the changes in appointing authority
6 under this subparagraph (d) the three Directors appointed
7 under subparagraph (c) and residing in Lake County, DuPage
8 County, and Kane County respectively shall each continue to
9 serve as Director until the expiration of their respective
10 term of office and until his or her successor is appointed
11 and qualified or a vacancy occurs in the office. Thereupon,
12 the appointment shall be made by the officials given
13 appointing authority with respect to the Director whose
14 term has expired or office has become vacant.

15 (e) The Chairman serving on the effective date of this
16 amendatory Act of the 95th General Assembly shall continue to
17 serve as Chairman until the expiration of his or her term of
18 office and until his or her successor is appointed and
19 qualified or a vacancy occurs in the office ~~Before January 1,~~
20 ~~1987, for the term expiring July 1, 1989, the Chairman shall be~~
21 ~~appointed by the Governor. Thereafter the Chairman shall be~~
22 ~~appointed by the other 12 Directors with the concurrence of~~
23 ~~three-fourths of such Directors.~~ Upon the expiration or vacancy
24 of the term of the Chairman then serving upon the effective
25 date of this amendatory Act of the 95th General Assembly, the
26 Chairman shall be appointed by the other Directors, by the

1 affirmative vote of at least 11 of the then Directors with at
2 least 2 affirmative votes from Directors who reside in the City
3 of Chicago, at least 2 affirmative votes from Directors who
4 reside in Cook County outside the City of Chicago, and at least
5 2 affirmative votes from Directors who reside in the Counties
6 of DuPage, Lake, Will, Kane, or McHenry. The chairman shall not
7 be appointed from among the other Directors. The chairman shall
8 be a resident of the metropolitan region.

9 (f) Except as otherwise provided by this Act no Director
10 shall, while serving as such, be an officer, a member of the
11 Board of Directors or Trustees or an employee of any Service
12 Board or transportation agency, or be an employee of the State
13 of Illinois or any department or agency thereof, or of any unit
14 of local government or receive any compensation from any
15 elected or appointed office under the Constitution and laws of
16 Illinois; except that a Director may be a member of a school
17 board.

18 (g) Each appointment made under this Section and under
19 Section 3.03 shall be certified by the appointing authority to
20 the Board, which shall maintain the certifications as part of
21 the official records of the Authority, ~~provided that the~~
22 ~~initial appointments shall be certified to the Secretary of~~
23 ~~State, who shall transmit the certifications to the Board~~
24 ~~following its organization. All appointments made by the~~
25 ~~Governor shall be made with the advice and consent of the~~
26 ~~Senate.~~

1 (h) (Blank). ~~The Board of Directors shall be so appointed~~
2 ~~as to represent the City of Chicago, that part of Cook County~~
3 ~~outside the City of Chicago, and that part of the metropolitan~~
4 ~~region outside Cook County on the one man one vote basis. After~~
5 ~~each Federal decennial census the General Assembly shall review~~
6 ~~the composition of the Board and, if a change is needed to~~
7 ~~comply with this requirement, shall provide for the necessary~~
8 ~~revision by July 1 of the third year after such census.~~
9 ~~Provided, however, that the Chairman of the Chicago Transit~~
10 ~~Authority shall be a Director of the Authority and shall be~~
11 ~~considered as representing the City of Chicago for purposes of~~
12 ~~this paragraph.~~

13 ~~Insofar as may be practicable, the changes in Board~~
14 ~~membership necessary to achieve this purpose shall take effect~~
15 ~~as appropriate members terms expire, no member's term being~~
16 ~~reduced by reason of such revision of the composition of the~~
17 ~~Board.~~

18 (Source: P.A. 83-1417.)

19 (70 ILCS 3615/3.03) (from Ch. 111 2/3, par. 703.03)

20 Sec. 3.03. Terms, vacancies. Each Director, ~~including the~~
21 ~~Chairman, shall be appointed for an initial term as provided~~
22 ~~for in Section 3.10 of this Act. Thereafter, each Director~~
23 shall hold office for a term of 5 years, and until his
24 successor has been appointed and has qualified. A vacancy shall
25 occur upon resignation, death, conviction of a felony, or

1 removal from office of a Director. Any Director may be removed
2 from office upon concurrence of not less than 11 ~~9~~ Directors,
3 on a formal finding of incompetence, neglect of duty, or
4 malfeasance in office. Within 30 days after the office of any
5 member becomes vacant for any reason, the appointing
6 authorities of such member shall make an appointment to fill
7 the vacancy. A vacancy shall be filled for the unexpired term.

8 Whenever ~~After October 1, 1984, whenever~~ a vacancy for a
9 Director, except as to the Chairman or those Directors
10 appointed by ~~the Governor or~~ the Mayor of the City of Chicago,
11 exists for longer than 4 months, the new Director shall be
12 chosen by election by all legislative members in the General
13 Assembly representing the affected area. In order to qualify as
14 a voting legislative member in this matter, the affected area
15 must be more than 50% of the geographic area of the legislative
16 district.

17 (Source: P.A. 86-1475.)

18 (70 ILCS 3615/3.05) (from Ch. 111 2/3, par. 703.05)

19 Sec. 3.05. Meetings. The Board shall prescribe the times
20 and places for meetings and the manner in which special
21 meetings may be called. The Board shall comply in all respects
22 with the "Open Meetings Act", approved July 11, 1957, as now or
23 hereafter amended. All records, documents and papers of the
24 Authority, other than those relating to matters concerning
25 which closed sessions of the Board may be held, shall be

1 available for public examination, subject to such reasonable
2 regulations as the Board may adopt.

3 A majority of the Directors holding office shall constitute
4 a quorum for the conduct of business. Except as otherwise
5 provided in this Act, the affirmative votes of at least 9 ~~7~~
6 Directors shall be necessary for approving any contract or
7 agreement, adopting any rule or regulation, and any other
8 action required by this Act to be taken by resolution or
9 ordinance.

10 The Board shall meet with the Regional Citizens Advisory
11 Board at least once every 4 months.

12 (Source: P.A. 83-886.)

13 (70 ILCS 3615/3A.10) (from Ch. 111 2/3, par. 703A.10)

14 Sec. 3A.10. Budget and Program. The Suburban Bus Board,
15 subject to the powers of the Authority in Section 4.11, shall
16 control the finances of the Division. It shall by ordinance
17 appropriate money to perform the Division's purposes and
18 provide for payment of debts and expenses of the Division. Each
19 year the Suburban Bus Board shall prepare and publish a
20 comprehensive annual budget and proposed five-year capital
21 program document, and a financial plan for the 2 years
22 thereafter describing the state of the Division and presenting
23 for the forthcoming fiscal year and the 2 following years the
24 Suburban Bus Board's plans for such operations and capital
25 expenditures as it intends to undertake and the means by which

1 it intends to finance them. The proposed budget, ~~and~~ financial
2 plan, and five-year capital program shall be based on the
3 Authority's estimate of funds to be made available to the
4 Suburban Bus Board by or through the Authority and shall
5 conform in all respects to the requirements established by the
6 Authority. The proposed ~~program and budget,~~ financial plan, and
7 five-year capital program shall contain a statement of the
8 funds estimated to be on hand at the beginning of the fiscal
9 year, the funds estimated to be received from all sources for
10 such year and the funds estimated to be on hand at the end of
11 such year. ~~After adoption of the Authority's first Five-Year~~
12 ~~Program, as provided in Section 2.01 of this Act, the proposed~~
13 ~~program and budget shall specifically identify any respect in~~
14 ~~which the recommended program deviates from the Authority's~~
15 ~~then existing Five-Year Program, giving the reasons for such~~
16 ~~deviation.~~ The fiscal year of the Division shall be the same as
17 the fiscal year of the Authority. Before the proposed budget, ~~and~~
18 ~~program and~~ financial plan, and five-year capital program
19 are submitted to the Authority, the Suburban Bus Board shall
20 hold at least one public hearing thereon in each of the
21 counties in the metropolitan region in which the Division
22 provides service. The Suburban Bus Board shall hold at least
23 one meeting for consideration of the proposed ~~program and~~
24 budget, financial plan, and five-year capital program with the
25 county board of each of the several counties in the
26 metropolitan region in which the Division provides service.

1 After conducting such hearings and holding such meetings and
2 after making such changes in the proposed ~~program and budget,~~
3 financial plan, and five-year capital program as the Suburban
4 Bus Board deems appropriate, it shall adopt an annual budget
5 ordinance at least by November 15 next preceding the beginning
6 of each fiscal year. The budget, ~~and program, and~~ financial
7 plan, and five-year capital program shall then be submitted to
8 the Authority as provided in Section 4.11. In the event that
9 the Board of the Authority determines that the budget ~~and~~
10 ~~program,~~ and financial plan do not meet the standards of
11 Section 4.11, the Suburban Bus Board shall make such changes as
12 are necessary to meet such requirements and adopt an amended
13 budget ordinance. The amended budget ordinance shall be
14 resubmitted to the Authority pursuant to Section 4.11. The
15 ordinance shall appropriate such sums of money as are deemed
16 necessary to defray all necessary expenses and obligations of
17 the Division, specifying purposes and the objects or programs
18 for which appropriations are made and the amount appropriated
19 for each object or program. Additional appropriations,
20 transfers between items and other changes in such ordinance
21 which do not alter the basis upon which the balanced budget
22 determination was made by the Board of the Authority may be
23 made from time to time by the Suburban Bus Board.

24 The budget shall:

25 (i) show a balance between (A) anticipated revenues
26 from all sources including operating subsidies and (B) the

1 costs of providing the services specified and of funding
2 any operating deficits or encumbrances incurred in prior
3 periods, including provision for payment when due of
4 principal and interest on outstanding indebtedness;

5 (ii) show cash balances including the proceeds of any
6 anticipated cash flow borrowing sufficient to pay with
7 reasonable promptness all costs and expenses as incurred;

8 (iii) provide for a level of fares or charges and
9 operating or administrative costs for the public
10 transportation provided by or subject to the jurisdiction
11 of the Suburban Bus Board sufficient to allow the Suburban
12 Bus Board to meet its required system generated revenues
13 recovery ratio and, beginning with the 2007 fiscal year,
14 its system generated ADA paratransit services revenue
15 recovery ratio;

16 (iv) be based upon and employ assumptions and
17 projections which are reasonable and prudent;

18 (v) have been prepared in accordance with sound
19 financial practices as determined by the Board of the
20 Authority; ~~and~~

21 (vi) meet such other uniform financial, budgetary, or
22 fiscal requirements that the Board of the Authority may by
23 rule or regulation establish; and -

24 (vii) be consistent with the goals and objectives
25 adopted by the Regional Transportation Authority in the
26 Strategic Plan.

1 (Source: P.A. 94-370, eff. 7-29-05.)

2 (70 ILCS 3615/3A.11) (from Ch. 111 2/3, par. 703A.11)

3 Sec. 3A.11. Citizens Advisory Board. The Suburban Bus Board
4 shall establish a citizens advisory board composed of 10
5 residents of those portions of the metropolitan region in which
6 the Suburban Bus Board provides service who have an interest in
7 public transportation. The members of the advisory board shall
8 be named for 2 year terms, shall select one of their members to
9 serve as chairman and shall serve without compensation. The
10 citizens advisory board shall meet with the Suburban Bus Board
11 at least quarterly and advise the Suburban Bus Board of the
12 impact of its policies and programs on the communities it
13 serves. Appointments to the citizens advisory board should, to
14 the greatest extent possible, reflect the ethnic, cultural, and
15 geographic diversity of all persons residing within the
16 Suburban Bus Board's jurisdiction.

17 (Source: P.A. 83-886.)

18 (70 ILCS 3615/3A.14) (from Ch. 111 2/3, par. 703A.14)

19 Sec. 3A.14. Labor. (a) The provisions of this Section apply
20 to collective bargaining agreements (including extensions and
21 amendments of existing agreements) entered into on or after
22 January 1, 1984.

23 (b) The Suburban Bus Board shall deal with and enter into
24 written contracts with their employees, through accredited

1 representatives of such employees authorized to act for such
2 employees concerning wages, salaries, hours, working
3 conditions, and pension or retirement provisions about which a
4 collective bargaining agreement has been entered prior to the
5 effective date of this amendatory Act of 1983. Any such
6 agreement of the Suburban Bus Board shall provide that the
7 agreement may be reopened if the amended budget submitted
8 pursuant to Section 2.18a of this Act is not approved by the
9 Board of the Authority. The agreement may not include a
10 provision requiring the payment of wage increases based on
11 changes in the Consumer Price Index. The Suburban Bus Board
12 shall not have the authority to enter collective bargaining
13 agreements with respect to inherent management rights, which
14 include such areas of discretion or policy as the functions of
15 the employer, standards of services, its overall budget, the
16 organizational structure and selection of new employees and
17 direction of personnel. Employers, however, shall be required
18 to bargain collectively with regard to policy matters directly
19 affecting wages, hours and terms and conditions of employment,
20 as well as the impact thereon, upon request by employee
21 representatives. To preserve the rights of employers and
22 exclusive representatives which have established collective
23 bargaining relationships or negotiated collective bargaining
24 agreements prior to the effective date of this amendatory Act
25 of 1983, employers shall be required to bargain collectively
26 with regard to any matter concerning wages, hours or conditions

1 of employment about which they have bargained prior to the
2 effective date of this amendatory Act of 1983.

3 (c) The collective bargaining agreement may not include a
4 prohibition on the use of part-time operators on any service
5 operated by the Suburban Bus Board except where prohibited by
6 federal law.

7 (d) Within 30 days of the signing of any such collective
8 bargaining agreement, the Suburban Bus Board shall determine
9 the costs of each provision of the agreement, prepare an
10 amended budget incorporating the costs of the agreement, and
11 present the amended budget to the Board of the Authority for
12 its approval under Section 4.11. The Board may approve the
13 amended budget by an affirmative vote of 12 ~~9~~ of its then
14 Directors. If the budget is not approved by the Board of the
15 Authority, the agreement may be reopened and its terms may be
16 renegotiated. Any amended budget which may be prepared
17 following renegotiation shall be presented to the Board of the
18 Authority for its approval in like manner.

19 (Source: P.A. 83-886.)

20 (70 ILCS 3615/3A.15 new)

21 Sec. 3A.15. Notwithstanding any law to the contrary, no
22 later than 60 days following the effective date of this
23 amendatory Act of the 95th General Assembly, any fixed route
24 public transportation services provided by, or under grant or
25 purchase of service contracts of, the Suburban Bus Board shall

1 be provided without charge to all senior citizens of the
2 Metropolitan Region aged 65 and older, under such conditions as
3 shall be prescribed by the Suburban Bus Board.

4 (70 ILCS 3615/3B.02) (from Ch. 111 2/3, par. 703B.02)

5 Sec. 3B.02. Commuter Rail Board.

6 (a) Until April 1, 2008, the ~~The~~ governing body of the
7 Commuter Rail Division shall be a board consisting of 7
8 directors appointed pursuant to Sections 3B.03 and 3B.04, as
9 follows:

10 (1) ~~(a)~~ One director shall be appointed by the Chairman
11 of the Board of DuPage County with the advice and consent
12 of the County Board of DuPage County and shall reside in
13 DuPage County. ~~†~~

14 (2) ~~(b)~~ Two directors appointed by the Chairmen of the
15 County Boards of Kane, Lake, McHenry and Will Counties with
16 the concurrence of not less than a majority of the chairmen
17 from such counties, from nominees by the Chairmen. Each
18 such chairman may nominate not more than two persons for
19 each position. Each such director shall reside in a county
20 in the metropolitan region other than Cook or DuPage
21 County.

22 (3) ~~(c)~~ Three directors appointed by the members of the
23 Cook County Board elected from that part of Cook County
24 outside of Chicago, or, in the event such Board of
25 Commissioners becomes elected from single member

1 districts, by those Commissioners elected from districts,
2 a majority of the residents of which reside outside
3 Chicago. In either case, such appointment shall be with the
4 concurrence of four such Commissioners. Each such director
5 shall reside in that part of Cook County outside Chicago.

6 (4) ~~(d)~~ One director appointed by the Mayor of the City
7 of Chicago, with the advice and consent of the City Council
8 of the City of Chicago. Such director shall reside in the
9 City of Chicago.

10 (5) The chairman shall be appointed by the directors,
11 from the members of the board, with the concurrence of 5 of
12 such directors.

13 (b) After April 1, 2008 the governing body of the Commuter
14 Rail Division shall be a board consisting of 11 directors
15 appointed, pursuant to Sections 3B.03 and 3B.04, as follows:

16 (1) One Director shall be appointed by the Chairman of
17 the DuPage County Board with the advice and consent of the
18 DuPage County Board and shall reside in DuPage County. To
19 implement the changes in appointing authority under this
20 Section, upon the expiration of the term of or vacancy in
21 office of the Director appointed under item (1) of
22 subsection (a) of this Section who resides in DuPage
23 County, a Director shall be appointed under this
24 subparagraph.

25 (2) One Director shall be appointed by the Chairman of
26 the McHenry County Board with the advice and consent of the

1 McHenry County Board and shall reside in McHenry County. To
2 implement the change in appointing authority under this
3 Section, upon the expiration of the term of or vacancy in
4 office of the Director appointed under item (2) of
5 subsection (a) of this Section who resides in McHenry
6 County, a Director shall be appointed under this
7 subparagraph.

8 (3) One Director shall be appointed by the Will County
9 Executive with the advice and consent of the Will County
10 Board and shall reside in Will County. To implement the
11 change in appointing authority under this Section, upon the
12 expiration of the term of or vacancy in office of the
13 Director appointed under item (2) of subsection (a) of this
14 Section who resides in Will County, a Director shall be
15 appointed under this subparagraph.

16 (4) One Director shall be appointed by the Chairman of
17 the Lake County Board with the advice and consent of the
18 Lake County Board and shall reside in Lake County.

19 (5) One Director shall be appointed by the Chairman of
20 the Kane County Board with the advice and consent of the
21 Kane County Board and shall reside in Kane County.

22 (6) One Director shall be appointed by the Mayor of the
23 City of Chicago with the advice and consent of the City
24 Council of the City of Chicago and shall reside in the City
25 of Chicago. To implement the changes in appointing
26 authority under this Section, upon the expiration of the

1 term of or vacancy in office of the Director appointed
2 under item (4) of subsection (a) of this Section who
3 resides in the City of Chicago, a Director shall be
4 appointed under this subparagraph.

5 (7) Five Directors residing in Cook County outside of
6 the City of Chicago, as follows:

7 (i) One Director who resides in Cook County outside
8 of the City of Chicago, appointed by the President of
9 the Cook County Board with the advice and consent of
10 the members of the Cook County Board.

11 (ii) One Director who resides in the township of
12 Barrington, Palatine, Wheeling, Hanover, Schaumburg,
13 or Elk Grove. To implement the changes in appointing
14 authority under this Section, upon the expiration of
15 the term of or vacancy in office of the Director
16 appointed under paragraph (3) of subsection (a) of this
17 Section who resides in the geographic area described in
18 this subparagraph, a Director shall be appointed under
19 this subparagraph.

20 (iii) One Director who resides in the township of
21 Northfield, New Trier, Maine, Nilas, Evanston, Leyden,
22 Norwood Park, River Forest, or Oak Park.

23 (iv) One Director who resides in the township of
24 Proviso, Riverside, Berwyn, Cicero, Lyons, Stickney,
25 Lemont, Palos, or Orland. To implement the changes in
26 appointing authority under this Section, upon the

1 expiration of the term of or vacancy in office of the
2 Director appointed under paragraph (3) of subsection
3 (a) of this Section who resides in the geographic area
4 described in this subparagraph and whose term of office
5 had not expired as of August 1, 2007, a Director shall
6 be appointed under this subparagraph.

7 (v) One Director who resides in the township of
8 Worth, Calumet, Bremen, Thornton, Rich, or Bloom. To
9 implement the changes in appointing authority under
10 this Section, upon the expiration of the term of or
11 vacancy in office of the Director appointed under
12 paragraph (3) of subsection (a) of this Section who
13 resides in the geographic area described in this
14 subparagraph and whose term of office had expired as of
15 August 1, 2007, a Director shall be appointed under
16 this subparagraph.

17 (vi) The Directors identified under the provisions
18 of subparagraphs (ii) through (v) of this paragraph (7)
19 shall be appointed by the members of the Cook County
20 Board. Each individual Director shall be appointed by
21 those members of the Cook County Board whose Board
22 districts overlap in whole or in part with the
23 geographic territory described in the relevant
24 subparagraph. The vote of County Board members
25 eligible to appoint directors under the provisions of
26 subparagraphs (ii) through (v) of this paragraph (7)

1 shall be weighted by the number of electors residing in
2 those portions of their Board districts within the
3 geographic territory described in the relevant
4 subparagraph (ii) through (v) of this paragraph (7).

5 (8) The Chairman shall be appointed by the Directors,
6 from the members of the Board, with the concurrence of 8 of
7 such Directors. To implement the changes in appointing
8 authority under this Section, upon the expiration of the
9 term of or vacancy in office of the Chairman appointed
10 under item (5) of subsection (a) of this Section, a
11 Chairman shall be appointed under this subparagraph.

12 (c) No director, while serving as such, shall be an
13 officer, a member of the board of directors or trustee or an
14 employee of any transportation agency, or be an employee of the
15 State of Illinois or any department or agency thereof, or of
16 any unit of local government or receive any compensation from
17 any elected or appointed office under the Constitution and laws
18 of Illinois.

19 (d) Each appointment made under subsections (a) and (b) of
20 this Section paragraphs (a) through (d) and under Section 3B.03
21 shall be certified by the appointing authority to the Commuter
22 Rail Board which shall maintain the certifications as part of
23 the official records of the Commuter Rail Board; ~~provided that~~
24 ~~the initial appointments shall be certified to the Secretary of~~
25 ~~State, who shall transmit the certifications to the Commuter~~
26 ~~Rail Board following its organization.~~

1 ~~Appointments to the Commuter Rail Board shall be~~
2 ~~apportioned so as to represent the City of Chicago, that part~~
3 ~~of Cook County outside of the City of Chicago, and DuPage~~
4 ~~County and that part of the metropolitan region other than Cook~~
5 ~~and DuPage Counties based on morning boardings of the services~~
6 ~~provided by the Commuter Rail Division as certified to the~~
7 ~~Board of the Authority by the Commuter Rail Board, provided~~
8 ~~however that the Mayor of the City of Chicago shall appoint no~~
9 ~~fewer than 1 member of the Commuter Rail Board. Within two~~
10 ~~years after each federal decennial census, the Board of the~~
11 ~~Authority shall review the composition of the Commuter Rail~~
12 ~~Board and, if change is needed to comply with this requirement,~~
13 ~~shall provide for the necessary reapportionment by July 1 of~~
14 ~~the second year after such census. Insofar as may be~~
15 ~~practicable, the changes in board membership necessary to~~
16 ~~achieve this purpose shall take effect as appropriate members~~
17 ~~terms expire, no member's term being reduced by reason of such~~
18 ~~revision of the composition of the Commuter Rail Board.~~

19 (Source: P.A. 83-886.)

20 (70 ILCS 3615/3B.03) (from Ch. 111 2/3, par. 703B.03)

21 Sec. 3B.03. Terms, Vacancies. Each ~~The initial term of the~~
22 ~~director appointed pursuant to subdivision (a) of Section 3B.02~~
23 ~~and the initial term of one of the directors appointed pursuant~~
24 ~~to subdivision (b) of Section 3B.02 shall expire on June 30,~~
25 ~~1985; the initial term of one of the directors appointed~~

1 ~~pursuant to subdivision (b) of Section 3B.02 and the initial~~
2 ~~term of one of the directors appointed pursuant to subdivision~~
3 ~~(c) of Section 3B.02 shall expire on June 30, 1986; the initial~~
4 ~~terms of two of the directors appointed pursuant to subdivision~~
5 ~~(c) of Section 3B.02 shall expire on June 30, 1987; the initial~~
6 ~~term of the director appointed pursuant to subdivision (d) of~~
7 ~~Section 3B.02 shall expire on June 30, 1988. Thereafter, each~~
8 director shall be appointed for a term of 4 years, and until
9 his successor has been appointed and qualified. A vacancy shall
10 occur upon the resignation, death, conviction of a felony, or
11 removal from office of a director. Any director may be removed
12 from office upon the concurrence of not less than 8 ~~6~~
13 directors, on a formal finding of incompetence, neglect of
14 duty, or malfeasance in office. Within 30 days after the office
15 of any director becomes vacant for any reason, the appropriate
16 appointing authorities of such director, as provided in Section
17 3B.02, shall make an appointment to fill the vacancy. A vacancy
18 shall be filled for the unexpired term.

19 (Source: P.A. 84-939.)

20 (70 ILCS 3615/3B.05) (from Ch. 111 2/3, par. 703B.05)

21 Sec. 3B.05. Appointment of officers and employees. The
22 Commuter Rail Board shall appoint an Executive Director who
23 shall be the chief executive officer of the Division,
24 appointed, retained or dismissed with the concurrence of 8 ~~6~~ of
25 the directors of the Commuter Rail Board. The Executive

1 Director shall appoint, retain and employ officers, attorneys,
2 agents, engineers, employees and shall organize the staff,
3 shall allocate their functions and duties, fix compensation and
4 conditions of employment, and consistent with the policies of
5 and direction from the Commuter Rail Board take all actions
6 necessary to achieve its purposes, fulfill its
7 responsibilities and carry out its powers, and shall have such
8 other powers and responsibilities as the Commuter Rail Board
9 shall determine. The Executive Director shall be an individual
10 of proven transportation and management skills and may not be a
11 member of the Commuter Rail Board. The Division may employ its
12 own professional management personnel to provide professional
13 and technical expertise concerning its purposes and powers and
14 to assist it in assessing the performance of transportation
15 agencies in the metropolitan region.

16 No unlawful discrimination, as defined and prohibited in
17 the Illinois Human Rights Act, shall be made in any term or
18 aspect of employment nor shall there be discrimination based
19 upon political reasons or factors. The Commuter Rail Board
20 shall establish regulations to insure that its discharges shall
21 not be arbitrary and that hiring and promotion are based on
22 merit.

23 The Division shall be subject to the "Illinois Human Rights
24 Act", as now or hereafter amended, and the remedies and
25 procedure established thereunder. The Commuter Rail Board
26 shall file an affirmative action program for employment by it

1 with the Department of Human Rights to ensure that applicants
2 are employed and that employees are treated during employment,
3 without regard to unlawful discrimination. Such affirmative
4 action program shall include provisions relating to hiring,
5 upgrading, demotion, transfer, recruitment, recruitment
6 advertising, selection for training and rates of pay or other
7 forms of compensation.

8 (Source: P.A. 83-885; 83-886.)

9 (70 ILCS 3615/3B.07) (from Ch. 111 2/3, par. 703B.07)

10 Sec. 3B.07. Meetings. The Commuter Rail Board shall
11 prescribe the times and places for meetings and the manner in
12 which special meetings may be called. The Commuter Rail Board
13 shall comply in all respects with the "Open Meetings Act", as
14 now or hereafter amended. All records, documents and papers of
15 the Commuter Rail Division, other than those relating to
16 matters concerning which closed sessions of the Commuter Rail
17 Board may be held, shall be available for public examination,
18 subject to such reasonable regulations as the board may adopt.

19 A majority of the members shall constitute a quorum for the
20 conduct of business. The affirmative votes of at least 6 4
21 members shall be necessary for any action required by this Act
22 to be taken by ordinance.

23 (Source: P.A. 83-886.)

24 (70 ILCS 3615/3B.09) (from Ch. 111 2/3, par. 703B.09)

1 Sec. 3B.09. General Powers. In addition to any powers
2 elsewhere provided to the Commuter Rail Board, it shall have
3 all of the powers specified in Section 2.20 of this Act except
4 for the powers specified in Section 2.20(a)(v). The Board shall
5 also have the power:

6 (a) to cooperate with the Regional Transportation
7 Authority in the exercise by the Regional Transportation
8 Authority of all the powers granted it by such Act;

9 (b) to receive funds from the Regional Transportation
10 Authority pursuant to Sections 2.02, 4.01, 4.02, 4.09 and 4.10
11 of the "Regional Transportation Authority Act", all as provided
12 in the "Regional Transportation Authority Act"; ~~and~~

13 (c) to receive financial grants from the Regional
14 Transportation Authority or a Service Board, as defined in the
15 "Regional Transportation Authority Act", upon such terms and
16 conditions as shall be set forth in a grant contract between
17 either the Division and the Regional Transportation Authority
18 or the Division and another Service Board, which contract or
19 agreement may be for such number of years or duration as the
20 parties may agree, all as provided in the "Regional
21 Transportation Authority Act"; ~~and-~~

22 (d) to borrow money for the purpose of acquiring,
23 constructing, reconstructing, extending, or improving any
24 Public Transportation Facilities (as defined in Section 1.03 of
25 the Regional Transportation Authority Act) operated by or to be
26 operated by or on behalf of the Commuter Rail Division. For the

1 purpose of evidencing the obligation of the Commuter Rail Board
2 to repay any money borrowed as provided in this subsection, the
3 Commuter Rail Board may issue revenue bonds from time to time
4 pursuant to ordinance adopted by the Commuter Rail Board,
5 subject to the approval of the Regional Transportation
6 Authority of each such issuance by the affirmative vote of 12
7 of its then Directors; provided that the Commuter Rail Board
8 may not issue bonds for the purpose of financing the
9 acquisition, construction, or improvement of a corporate
10 headquarters building. All such bonds shall be payable solely
11 from the revenues or income or any other funds that the
12 Commuter Rail Board may receive, provided that the Commuter
13 Rail Board may not pledge as security for such bonds the
14 moneys, if any, that the Commuter Rail Board receives from the
15 Regional Transportation Authority pursuant to Section
16 4.03.3(f) of the Regional Transportation Authority Act. The
17 bonds shall bear interest at a rate not to exceed the maximum
18 rate authorized by the Bond Authorization Act and shall mature
19 at such time or times not exceeding 25 years from their
20 respective dates. Bonds issued pursuant to this paragraph must
21 be issued with scheduled principal or mandatory redemption
22 payments in equal amounts in each fiscal year over the term of
23 the bonds, with the first principal or mandatory redemption
24 payment scheduled within the fiscal year in which bonds are
25 issued or within the next succeeding fiscal year. At least 25%,
26 based on total principal amount, of all bonds authorized

1 pursuant to this Section shall be sold pursuant to notice of
2 sale and public bid. No more than 75%, based on total principal
3 amount, of all bonds authorized pursuant to this Section shall
4 be sold by negotiated sale. The maximum principal amount of the
5 bonds that may be issued and outstanding at any time may not
6 exceed \$1,000,000,000. The bonds shall have all the qualities
7 of negotiable instruments under the laws of this State. To
8 secure the payment of any or all of such bonds and for the
9 purpose of setting forth the covenants and undertakings of the
10 Commuter Rail Board in connection with the issuance thereof and
11 the issuance of any additional bonds payable from such revenue
12 or income as well as the use and application of the revenue or
13 income received by the Commuter Rail Board, the Commuter Rail
14 Board may execute and deliver a trust agreement or agreements;
15 provided that no lien upon any physical property of the
16 Commuter Rail Board shall be created thereby. A remedy for any
17 breach or default of the terms of any such trust agreement by
18 the Commuter Rail Board may be by mandamus proceedings in any
19 court of competent jurisdiction to compel performance and
20 compliance therewith, but the trust agreement may prescribe by
21 whom or on whose behalf such action may be instituted. Under no
22 circumstances shall any bonds issued by the Commuter Rail Board
23 or any other obligation of the Commuter Rail Board in
24 connection with the issuance of such bonds be or become an
25 indebtedness or obligation of the State of Illinois, the
26 Regional Transportation Authority, or any other political

1 subdivision of or municipality within the State, nor shall any
2 such bonds or obligations be or become an indebtedness of the
3 Commuter Rail Board within the purview of any constitutional
4 limitation or provision, and it shall be plainly stated on the
5 face of each bond that it does not constitute such an
6 indebtedness or obligation but is payable solely from the
7 revenues or income as aforesaid.

8 (Source: P.A. 83-885; 83-886.)

9 (70 ILCS 3615/3B.10) (from Ch. 111 2/3, par. 703B.10)

10 Sec. 3B.10. Budget and Program. The Commuter Rail Board,
11 subject to the powers of the Authority in Section 4.11, shall
12 control the finances of the Division. It shall by ordinance
13 appropriate money to perform the Division's purposes and
14 provide for payment of debts and expenses of the Division. Each
15 year the Commuter Rail Board shall prepare and publish a
16 comprehensive annual budget and proposed five-year capital
17 program document, and a financial plan for the two years
18 thereafter describing the state of the Division and presenting
19 for the forthcoming fiscal year and the two following years the
20 Commuter Rail Board's plans for such operations and capital
21 expenditures as the Commuter Rail Board intends to undertake
22 and the means by which it intends to finance them. The proposed
23 budget, ~~and~~ financial plan, and five-year capital program shall
24 be based on the Authority's estimate of funds to be made
25 available to the Commuter Rail Board by or through the

1 Authority and shall conform in all respects to the requirements
2 established by the Authority. The proposed ~~program and budget,~~
3 financial plan, and five-year capital program shall contain a
4 statement of the funds estimated to be on hand at the beginning
5 of the fiscal year, the funds estimated to be received from all
6 sources for such year and the funds estimated to be on hand at
7 the end of such year. ~~After adoption of the Authority's first~~
8 ~~Five Year Program, as provided in Section 2.01 of this Act, the~~
9 ~~proposed program and budget shall specifically identify any~~
10 ~~respect in which the recommended program deviates from the~~
11 ~~Authority's then existing Five Year Program, giving the~~
12 ~~reasons for such deviation.~~ The fiscal year of the Division
13 shall be the same as the fiscal year of the Authority. Before
14 the proposed budget, ~~and program and financial plan,~~ and
15 five-year capital program are submitted to the Authority, the
16 Commuter Rail Board shall hold at least one public hearing
17 thereon in each of the counties in the metropolitan region in
18 which the Division provides service. The Commuter Rail Board
19 shall hold at least one meeting for consideration of the
20 proposed ~~program and budget,~~ financial plan, and five-year
21 capital plan with the county board of each of the several
22 counties in the metropolitan region in which the Division
23 provides service. After conducting such hearings and holding
24 such meetings and after making such changes in the proposed
25 ~~program and budget,~~ financial plan, and five-year capital plan
26 as the Commuter Rail Board deems appropriate, the board shall

1 adopt its annual budget ordinance at least by November 15 next
2 preceding the beginning of each fiscal year. The budget, ~~and~~
3 ~~program, and financial plan,~~ and five-year capital program
4 shall then be submitted to the Authority as provided in Section
5 4.11. In the event that the Board of the Authority determines
6 that the budget and program, and financial plan do not meet the
7 standards of Section 4.11, the Commuter Rail Board shall make
8 such changes as are necessary to meet such requirements and
9 adopt an amended budget ordinance. The amended budget ordinance
10 shall be resubmitted to the Authority pursuant to Section 4.11.
11 The ordinance shall appropriate such sums of money as are
12 deemed necessary to defray all necessary expenses and
13 obligations of the Division, specifying purposes and the
14 objects or programs for which appropriations are made and the
15 amount appropriated for each object or program. Additional
16 appropriations, transfers between items and other changes in
17 such ordinance which do not alter the basis upon which the
18 balanced budget determination was made by the Board of the
19 Authority may be made from time to time by the Commuter Rail
20 Board.

21 The budget shall:

22 (i) show a balance between (A) anticipated revenues from
23 all sources including operating subsidies and (B) the costs of
24 providing the services specified and of funding any operating
25 deficits or encumbrances incurred in prior periods, including
26 provision for payment when due of principal and interest on

1 outstanding indebtedness;

2 (ii) show cash balances including the proceeds of any
3 anticipated cash flow borrowing sufficient to pay with
4 reasonable promptness all costs and expenses as incurred;

5 (iii) provide for a level of fares or charges for the
6 public transportation provided by or subject to the
7 jurisdiction of such Commuter Rail Board sufficient to allow
8 the Commuter Rail Board to meet its required system generated
9 revenue recovery ratio;

10 (iv) be based upon and employ assumptions and projections
11 which the Board of the Authority finds to be reasonable and
12 prudent;

13 (v) have been prepared in accordance with sound financial
14 practices as determined by the Board of the Authority; ~~and~~

15 (vi) meet such other uniform financial, budgetary, or
16 fiscal requirements that the Board of the Authority may by rule
17 or regulation establish; and -

18 (vii) be consistent with the goals and objectives adopted
19 by the Regional Transportation Authority in the Strategic Plan.

20 (Source: P.A. 83-885; 83-886.)

21 (70 ILCS 3615/3B.11) (from Ch. 111 2/3, par. 703B.11)

22 Sec. 3B.11. Citizens Advisory Board. The Commuter Rail
23 Board shall establish a citizens advisory board composed of ten
24 residents of those portions of the metropolitan region in which
25 the Commuter Rail Board provides service who have an interest

1 in public transportation. The members of the advisory board
2 shall be named for two year terms, shall select one of their
3 members to serve as chairman and shall serve without
4 compensation. The citizens advisory board shall meet with the
5 Commuter Rail Board at least quarterly and advise the Commuter
6 Rail Board of the impact of its policies and programs on the
7 communities it serves. Appointments to the citizens advisory
8 board should, to the greatest extent possible, reflect the
9 ethnic, cultural, and geographic diversity of all persons
10 residing within the Commuter Rail Division's jurisdiction.

11 (Source: P.A. 83-886.)

12 (70 ILCS 3615/3B.12) (from Ch. 111 2/3, par. 703B.12)

13 Sec. 3B.12. Working Cash Borrowing. The Commuter Rail Board
14 with the affirmative vote of 7 ~~5~~ of its Directors may demand
15 and direct the Board of the Authority to issue Working Cash
16 Notes at such time and in such amounts and having such
17 maturities as the Commuter Rail Board deems proper, provided
18 however any such borrowing shall have been specifically
19 identified in the budget of the Commuter Rail Board as approved
20 by the Board of the Authority. Provided further, that the
21 Commuter Rail Board may not demand and direct the Board of the
22 Authority to have issued and have outstanding at any time in
23 excess of \$20,000,000 in Working Cash Notes.

24 (Source: P.A. 83-886.)

1 (70 ILCS 3615/3B.13) (from Ch. 111 2/3, par. 703B.13)

2 Sec. 3B.13. Labor.

3 (a) The provisions of this Section apply to collective
4 bargaining agreements (including extensions and amendments of
5 existing agreements) entered into on or after January 1, 1984.
6 This Section does not apply to collective bargaining agreements
7 that are subject to the provisions of the Railway Labor Act, as
8 now or hereafter amended.

9 (b) The Commuter Rail Board shall deal with and enter into
10 written contracts with their employees, through accredited
11 representatives of such employees authorized to act for such
12 employees concerning wages, salaries, hours, working
13 conditions, and pension or retirement provisions about which a
14 collective bargaining agreement has been entered prior to the
15 effective date of this amendatory Act of 1983. Any such
16 agreement of the Commuter Rail Board shall provide that the
17 agreement may be reopened if the amended budget submitted
18 pursuant to Section 2.18a of this Act is not approved by the
19 Board of the Authority. The agreement may not include a
20 provision requiring the payment of wage increases based on
21 changes in the Consumer Price Index. The Commuter Rail Board
22 shall not have the authority to enter collective bargaining
23 agreements with respect to inherent management rights which
24 include such areas of discretion or policy as the functions of
25 the employer, standards of services, its overall budget, the
26 organizational structure and selection of new employees and

1 direction of personnel. Employers, however, shall be required
2 to bargain collectively with regard to policy matters directly
3 affecting wages, hours and terms and conditions of employment,
4 as well as the impact thereon, upon request by employee
5 representatives. To preserve the rights of the Commuter Rail
6 Board and exclusive representatives which have established
7 collective bargaining relationships or negotiated collective
8 bargaining agreements prior to the effective date of this
9 amendatory Act of 1983, the Commuter Rail Board shall be
10 required to bargain collectively with regard to any matter
11 concerning wages, hours or conditions of employment about which
12 they have bargained prior to the effective date of this
13 amendatory Act of 1983.

14 (c) The collective bargaining agreement may not include a
15 prohibition on the use of part-time operators on any service
16 operated by the Commuter Rail Board except where prohibited by
17 federal law.

18 (d) Within 30 days of the signing of any such collective
19 bargaining agreement, the Commuter Rail Board shall determine
20 the costs of each provision of the agreement, prepare an
21 amended budget incorporating the costs of the agreement, and
22 present the amended budget to the Board of the Authority for
23 its approval under Section 4.11. The Board may approve the
24 amended budget by an affirmative vote of 12 9 of its then
25 Directors. If the budget is not approved by the Board of the
26 Authority, the agreement may be reopened and its terms may be

1 renegotiated. Any amended budget which may be prepared
2 following renegotiation shall be presented to the Board of the
3 Authority for its approval in like manner.

4 (Source: P.A. 84-1308.)

5 (70 ILCS 3615/3B.14 new)

6 Sec. 3B.14. Notwithstanding any law to the contrary, no
7 later than 60 days following the effective date of this
8 amendatory Act of the 95th General Assembly, any fixed route
9 public transportation services provided by, or under grant or
10 purchase of service contracts of, the Commuter Rail Board shall
11 be provided without charge to all senior citizens of the
12 Metropolitan Region aged 65 and older, under such conditions as
13 shall be prescribed by the Commuter Rail Board.

14 (70 ILCS 3615/4.01) (from Ch. 111 2/3, par. 704.01)

15 Sec. 4.01. Budget and Program.

16 (a) The Board shall control the finances of the Authority.
17 It shall by ordinance adopted by the affirmative vote of at
18 least 12 of its then Directors (i) appropriate money to perform
19 the Authority's purposes and provide for payment of debts and
20 expenses of the Authority, (ii) take action with respect to the
21 budget and two-year financial plan of each Service Board, as
22 provided in Section 4.11, and (iii) adopt an Annual Budget and
23 Two-Year Financial Plan for the Authority that includes the
24 annual budget and two-year financial plan of each Service Board

1 that has been approved by the Authority. ~~Each year the~~
2 ~~Authority shall prepare and publish a comprehensive annual~~
3 ~~budget and program document describing the state of the~~
4 ~~Authority and presenting for the forthcoming fiscal year the~~
5 ~~Authority's plans for such operations and capital expenditures~~
6 ~~as the Authority intends to undertake and the means by which it~~
7 ~~intends to finance them.~~ The Annual Budget and Two-Year
8 Financial Plan ~~proposed program and budget~~ shall contain a
9 statement of the funds estimated to be on hand for the
10 Authority and each Service Board at the beginning of the fiscal
11 year, the funds estimated to be received from all sources for
12 such year, the estimated expenses and obligations of the
13 Authority and each Service Board for all purposes, including
14 expenses for contributions to be made with respect to pension
15 and other employee benefits, and the funds estimated to be on
16 hand at the end of such year. ~~After adoption of the Authority's~~
17 ~~first Five Year Program, as provided in Section 2.01 of this~~
18 ~~Act, the proposed program and budget shall specifically~~
19 ~~identify any respect in which the recommended program deviates~~
20 ~~from the Authority's then existing Five Year Program, giving~~
21 ~~the reasons for such deviation.~~ The fiscal year of the
22 Authority and each Service Board shall begin on January 1st and
23 end on the succeeding December 31st ~~except that the fiscal year~~
24 ~~that began October 1, 1982, shall end December 31, 1983.~~ By
25 ~~July 1st 1981 and July 1st of each year thereafter~~ the Director
26 of the Illinois Governor's Office of Management and Budget

1 (formerly Bureau of the Budget) shall submit to the Authority
2 an estimate of revenues for the next fiscal year of the
3 Authority to be collected from the taxes imposed by the
4 Authority and the amounts to be available in the Public
5 Transportation Fund and the Regional Transportation Authority
6 Occupation and Use Tax Replacement Fund and the amounts
7 otherwise to be appropriated by the State to the Authority for
8 its purposes. The Authority shall file a copy of its Annual
9 Budget and Two-Year Financial Plan with ~~For the fiscal year~~
10 ~~ending on December 31, 1983, the Board shall report its results~~
11 ~~from operations and financial condition to the General Assembly~~
12 ~~and the Governor by January 31. For the fiscal year beginning~~
13 ~~January 1, 1984, and thereafter, the budget and program shall~~
14 ~~be presented to the General Assembly and the Governor~~ after its
15 adoption not later than the preceding December 31st. Before the
16 proposed Annual Budget and Two-Year Financial Plan ~~budget and~~
17 ~~program~~ is adopted, the Authority shall hold at least one
18 public hearing thereon in the metropolitan region, and shall
19 meet . ~~The Board shall hold at least one meeting for~~
20 ~~consideration of the proposed program and budget~~ with the
21 county board or its designee of each of the several counties in
22 the metropolitan region. After conducting such hearings and
23 holding such meetings and after making such changes in the
24 proposed Annual Budget and Two-Year Financial Plan ~~program and~~
25 ~~budget~~ as the Board deems appropriate, the Board shall adopt
26 its annual appropriation and Annual Budget and Two-Year

1 Financial Plan ~~budget~~ ordinance. The ordinance may be adopted
2 only upon the affirmative votes of 12 ~~9~~ of its then Directors.
3 The ordinance shall appropriate such sums of money as are
4 deemed necessary to defray all necessary expenses and
5 obligations of the Authority, specifying purposes and the
6 objects or programs for which appropriations are made and the
7 amount appropriated for each object or program. Additional
8 appropriations, transfers between items and other changes in
9 such ordinance may be made from time to time by the Board upon
10 the affirmative votes of 12 ~~9~~ of its then Directors.

11 (b) The Annual Budget and Two-Year Financial Plan ~~budget~~
12 shall show a balance between anticipated revenues from all
13 sources and anticipated expenses including funding of
14 operating deficits or the discharge of encumbrances incurred in
15 prior periods and payment of principal and interest when due,
16 and shall show cash balances sufficient to pay with reasonable
17 promptness all obligations and expenses as incurred.

18 The Annual Budget and Two-Year Financial Plan ~~annual budget~~
19 ~~and financial plan~~ must show:

20 (i) that the level of fares and charges for mass
21 transportation provided by, or under grant or purchase of
22 service contracts of, the Service Boards is sufficient to
23 cause the aggregate of all projected fare revenues from
24 such fares and charges received in each fiscal year to
25 equal at least 50% of the aggregate costs of providing such
26 public transportation in such fiscal year. "Fare revenues"

1 include the proceeds of all fares and charges for services
2 provided, contributions received in connection with public
3 transportation from units of local government other than
4 the Authority, except for contributions received by the
5 Chicago Transit Authority from a real estate transfer tax
6 imposed under subsection (i) of Section 8-3-19 of the
7 Illinois Municipal Code, and from the State pursuant to
8 subsection (i) of Section 2705-305 of the Department of
9 Transportation Law (20 ILCS 2705/2705-305), and all other
10 operating revenues properly included consistent with
11 generally accepted accounting principles but do not
12 include: the proceeds of any borrowings, and, beginning
13 with the 2007 fiscal year, all revenues and receipts,
14 including but not limited to fares and grants received from
15 the federal, State or any unit of local government or other
16 entity, derived from providing ADA paratransit service
17 pursuant to Section 2.30 of the Regional Transportation
18 Authority Act. "Costs" include all items properly included
19 as operating costs consistent with generally accepted
20 accounting principles, including administrative costs, but
21 do not include: depreciation; payment of principal and
22 interest on bonds, notes or other evidences of obligation
23 for borrowed money issued by the Authority; payments with
24 respect to public transportation facilities made pursuant
25 to subsection (b) of Section 2.20 of this Act; any payments
26 with respect to rate protection contracts, credit

1 enhancements or liquidity agreements made under Section
2 4.14; any other cost to which it is reasonably expected
3 that a cash expenditure will not be made; costs ~~up to~~
4 ~~\$5,000,000 annually~~ for passenger security including
5 grants, contracts, personnel, equipment and administrative
6 expenses, except in the case of the Chicago Transit
7 Authority, in which case the term does not include costs
8 spent annually by that entity for protection against crime
9 as required by Section 27a of the Metropolitan Transit
10 Authority Act; the payment by the Chicago Transit Authority
11 of Debt Service, as defined in Section 12c of the
12 Metropolitan Transit Authority Act, on bonds or notes
13 issued pursuant to that Section; the payment by the
14 Commuter Rail Division of debt service on bonds issued
15 pursuant to Section 3B.09; expenses incurred by the
16 Suburban Bus Division for the cost of new public
17 transportation services funded from grants pursuant to
18 Section 2.01e of this amendatory Act of the 95th General
19 Assembly for a period of 2 years from the date of
20 initiation of each such service; costs as exempted by the
21 Board for projects pursuant to Section 2.09 of this Act;
22 or, beginning with the 2007 fiscal year, expenses related
23 to providing ADA paratransit service pursuant to Section
24 2.30 of the Regional Transportation Authority Act; and in
25 fiscal years 2008 through 2012 inclusive, costs in the
26 amount of \$200,000,000 in fiscal year 2008, reducing by

1 \$40,000,000 in each fiscal year thereafter until this
2 exemption is eliminated; and

3 (ii) that the level of fares charged for ADA
4 paratransit services is sufficient to cause the aggregate
5 of all projected revenues from such fares charged and
6 received in each fiscal year to equal at least 10% of the
7 aggregate costs of providing such ADA paratransit services
8 in fiscal years 2007 and 2008 and at least 12% of the
9 aggregate costs of providing such ADA paratransit services
10 in fiscal years 2009 and thereafter; for purposes of this
11 Act, the percentages in this subsection (b)(ii) shall be
12 referred to as the "system generated ADA paratransit
13 services revenue recovery ratio".

14 (c) The actual administrative expenses of the Authority for
15 the fiscal year commencing January 1, 1985 may not exceed
16 \$5,000,000. The actual administrative expenses of the
17 Authority for the fiscal year commencing January 1, 1986, and
18 for each fiscal year thereafter shall not exceed the maximum
19 administrative expenses for the previous fiscal year plus 5%.
20 "Administrative expenses" are defined for purposes of this
21 Section as all expenses except: (1) capital expenses and
22 purchases of the Authority on behalf of the Service Boards; (2)
23 payments to Service Boards; and (3) payment of principal and
24 interest on bonds, notes or other evidence of obligation for
25 borrowed money issued by the Authority; (4) costs for passenger
26 security including grants, contracts, personnel, equipment and

1 administrative expenses; (5) payments with respect to public
2 transportation facilities made pursuant to subsection (b) of
3 Section 2.20 of this Act; and (6) any payments with respect to
4 rate protection contracts, credit enhancements or liquidity
5 agreements made pursuant to Section 4.14.

6 (d) This subsection applies only until the Department
7 begins administering and enforcing an increased tax under
8 Section 4.03(m) as authorized by this amendatory Act of the
9 95th General Assembly. After withholding 15% of the proceeds of
10 any tax imposed by the Authority and 15% of money received by
11 the Authority from the Regional Transportation Authority
12 Occupation and Use Tax Replacement Fund, the Board shall
13 allocate the proceeds and money remaining to the Service Boards
14 as follows: (1) an amount equal to 85% of the proceeds of those
15 taxes collected within the City of Chicago and 85% of the money
16 received by the Authority on account of transfers to the
17 Regional Transportation Authority Occupation and Use Tax
18 Replacement Fund from the County and Mass Transit District Fund
19 attributable to retail sales within the City of Chicago shall
20 be allocated to the Chicago Transit Authority; (2) an amount
21 equal to 85% of the proceeds of those taxes collected within
22 Cook County outside the City of Chicago and 85% of the money
23 received by the Authority on account of transfers to the
24 Regional Transportation Authority Occupation and Use Tax
25 Replacement Fund from the County and Mass Transit District Fund
26 attributable to retail sales within Cook County outside of the

1 city of Chicago shall be allocated 30% to the Chicago Transit
2 Authority, 55% to the Commuter Rail Board and 15% to the
3 Suburban Bus Board; and (3) an amount equal to 85% of the
4 proceeds of the taxes collected within the Counties of DuPage,
5 Kane, Lake, McHenry and Will shall be allocated 70% to the
6 Commuter Rail Board and 30% to the Suburban Bus Board.

7 (e) This subsection applies only until the Department
8 begins administering and enforcing an increased tax under
9 Section 4.03(m) as authorized by this amendatory Act of the
10 95th General Assembly. Moneys received by the Authority on
11 account of transfers to the Regional Transportation Authority
12 Occupation and Use Tax Replacement Fund from the State and
13 Local Sales Tax Reform Fund shall be allocated among the
14 Authority and the Service Boards as follows: 15% of such moneys
15 shall be retained by the Authority and the remaining 85% shall
16 be transferred to the Service Boards as soon as may be
17 practicable after the Authority receives payment. Moneys which
18 are distributable to the Service Boards pursuant to the
19 preceding sentence shall be allocated among the Service Boards
20 on the basis of each Service Board's distribution ratio. The
21 term "distribution ratio" means, for purposes of this
22 subsection (e) of this Section 4.01, the ratio of the total
23 amount distributed to a Service Board pursuant to subsection
24 (d) of Section 4.01 for the immediately preceding calendar year
25 to the total amount distributed to all of the Service Boards
26 pursuant to subsection (d) of Section 4.01 for the immediately

1 preceding calendar year.

2 (f) To carry out its duties and responsibilities under this
3 Act, further and accomplish the preparation of the annual
4 budget and program as well as the Five-Year Program provided
5 for in Section 2.01 of this Act and to make such interim
6 management decisions as may be necessary, the Board shall
7 employ staff which shall: (1) propose for adoption by the Board
8 of the Authority rules for the Service Boards that establish
9 (i) forms and schedules to be used and information required to
10 be provided with respect to a five-year capital program, annual
11 budgets, and two-year financial plans and regular reporting of
12 actual results against adopted budgets and financial plans,
13 (ii) financial practices to be followed in the budgeting and
14 expenditure of public funds, (iii) assumptions and projections
15 that must be followed in preparing and submitting its annual
16 budget and two-year financial plan or a five-year capital
17 program; (2) evaluate for the Board public transportation
18 programs operated or proposed by the Service Boards and
19 transportation agencies in terms of the goals and objectives
20 set out in the Strategic Plan , costs and relative priorities;
21 (3) ~~(2)~~ keep the Board and the public informed of the extent to
22 which the Service Boards and transportation agencies are
23 meeting the goals and objectives adopted by the Authority in
24 the Strategic Plan public transportation programs and
25 accomplishments of such transportation agencies; and (4)
26 assess the efficiency or adequacy of public transportation

1 services provided by a Service Board and make recommendations
2 for change in that service ~~(3) coordinate the development and~~
3 ~~implementation of public transportation programs to the end~~
4 that the moneys ~~monies~~ available to the Authority may be
5 expended in the most economical manner possible with the least
6 possible duplication.

7 (g) All ~~Under such regulations as the Board may prescribe,~~
8 ~~all~~ Service Boards, transportation agencies, comprehensive
9 planning agencies, including the Chicago Metropolitan Agency
10 for Planning, or transportation planning agencies in the
11 metropolitan region shall furnish to the Authority ~~Board~~ such
12 information pertaining to public transportation or relevant
13 for plans therefor as it may from time to time require. The
14 Executive Director, or his or her designee, ~~upon payment to any~~
15 ~~such agency or Service Board of the reasonable additional cost~~
16 ~~of its so providing such information except as may otherwise be~~
17 ~~provided by agreement with the Authority, and the Board or any~~
18 ~~duly authorized employee of the Board~~ shall, for the purpose of
19 securing any such information necessary or appropriate to carry
20 out any of the powers and responsibilities of the Authority
21 under this Act, have access to, and the right to examine, all
22 books, documents, papers or records of a Service Board or any
23 transportation ~~such~~ agency receiving funds from the Authority
24 or Service Board, and such Service Board or transportation
25 agency shall comply with any request by the Executive Director,
26 or his or her designee, within 30 days or an extended time

1 provided by the Executive Director ~~pertaining to public~~
2 ~~transportation or relevant for plans therefor.~~

3 (h) No Service Board shall undertake any capital
4 improvement which is not identified in the Five-Year Capital
5 Program.

6 (Source: P.A. 94-370, eff. 7-29-05.)

7 (70 ILCS 3615/4.02) (from Ch. 111 2/3, par. 704.02)

8 Sec. 4.02. Federal, State and Other Funds.

9 (a) The Authority shall have the power to apply for,
10 receive and expend grants, loans or other funds from the State
11 of Illinois or any department or agency thereof, from any unit
12 of local government, from the federal government or any
13 department or agency thereof, for use in connection with any of
14 the powers or purposes of the Authority as set forth in this
15 Act. The Authority shall have power to make such studies as may
16 be necessary and to enter into contracts or agreements with the
17 State of Illinois or any department or agency thereof, with any
18 unit of local government, or with the federal government or any
19 department or agency thereof, concerning such grants, loans or
20 other funds, or any conditions relating thereto, including
21 obligations to repay such funds. The Authority may make such
22 covenants concerning such grants, loans and funds as it deems
23 proper and necessary in carrying out its responsibilities,
24 purposes and powers as provided in this Act.

25 (b) The Authority shall be the primary public body in the

1 metropolitan region with authority to apply for and receive any
2 grants, loans or other funds relating to public transportation
3 programs from the State of Illinois or any department or agency
4 thereof, or from the federal government or any department or
5 agency thereof. Any unit of local government, Service Board or
6 transportation agency may apply for and receive any such
7 federal or state capital grants, loans or other funds,
8 provided, however that a Service Board may not apply for or
9 receive any grant or loan which is not identified in the
10 Five-Year Capital Program. Any Service Board, unit of local
11 government or transportation agency shall notify the Authority
12 prior to making any such application and shall file a copy
13 thereof with the Authority. Nothing in this Section shall be
14 construed to impose any limitation on the ability of the State
15 of Illinois or any department or agency thereof, any unit of
16 local government or Service Board or transportation agency to
17 make any grants or to enter into any agreement or contract with
18 the National Rail Passenger Corporation. Nor shall anything in
19 this Section impose any limitation on the ability of any school
20 district to apply for or receive any grant, loan or other funds
21 for transportation of school children.

22 (c) The Authority shall provide to the Service Board any
23 monies received relating to public transportation services
24 under the jurisdiction of the Service Boards as provided in
25 Section 4.03.3 of this Act. ~~follows:~~

26 ~~(1) As soon as may be practicable after the Authority~~

1 ~~receives payment, under Section 4.03(m) or Section~~
2 ~~4.03.1(d), of the proceeds of those taxes levied by the~~
3 ~~Authority, the Authority shall transfer to each Service~~
4 ~~Board the amount to which it is entitled under Section~~
5 ~~4.01(d).~~

6 ~~(2) The Authority by ordinance adopted by 9 of its then~~
7 ~~Directors shall establish a formula apportioning any~~
8 ~~federal funds for operating assistance purposes the~~
9 ~~Authority receives to each Service Board. In establishing~~
10 ~~the formula, the Board shall consider, among other factors:~~
11 ~~ridership levels, the efficiency with which the service is~~
12 ~~provided, the degree of transit dependence of the area~~
13 ~~served and the cost of service. That portion of any federal~~
14 ~~funds for operating assistance received by the Authority~~
15 ~~shall be paid to each Service Board as soon as may be~~
16 ~~practicable upon their receipt provided the Authority has~~
17 ~~adopted a balanced budget as required by Section 4.01 and~~
18 ~~further provided that the Service Boards are in compliance~~
19 ~~with the requirements in Section 4.11.~~

20 ~~(3) The Authority by ordinance adopted by 9 of its then~~
21 ~~Directors shall apportion to the Service Boards funds~~
22 ~~provided by the State of Illinois under Section 4.09 and~~
23 ~~shall make payment of said funds to each Service Board as~~
24 ~~soon as may be practicable upon their receipt provided the~~
25 ~~Authority has adopted a balanced budget as required by~~
26 ~~Section 4.01 and further provided the Service Board is in~~

1 ~~compliance with the requirements in Section 4.11.~~

2 ~~(4) Beginning January 1, 2009, before making any~~
3 ~~payments, transfers, or expenditures under this subsection~~
4 ~~to a Service Board, the Authority must first comply with~~
5 ~~Section 4.02a or 4.02b of this Act, whichever may be~~
6 ~~applicable.~~

7 (Source: P.A. 94-839, eff. 6-6-06; 95-331, eff. 8-21-07.)

8 (70 ILCS 3615/4.02a)

9 Sec. 4.02a. Chicago Transit Authority contributions to
10 pension funds.

11 (a) The Authority shall continually review the Chicago
12 Transit Authority's payment of the required contributions to
13 its retirement system under Section 22-101 of the Illinois
14 Pension Code.

15 (b) Beginning January 1, 2009, if at any time the Authority
16 determines that the Chicago Transit Authority's payment of any
17 portion of the required contributions to its retirement system
18 under Section 22-101 of the Illinois Pension Code is more than
19 one month overdue, it shall as soon as possible pay the amount
20 of those overdue contributions to the Board of Trustees ~~trustee~~
21 of the Retirement Plan ~~retirement system~~ on behalf of the
22 Chicago Transit Authority out of moneys otherwise payable to
23 the Chicago Transit Authority under ~~subsection (c) of~~ Section
24 4.03.3 ~~4.02~~ of this Act. The Authority shall thereafter have no
25 liability to the Chicago Transit Authority for amounts paid to

1 the Board of Trustees ~~trustee~~ of the Retirement Plan ~~retirement~~
2 ~~system~~ under this Section.

3 (c) Whenever the Authority acts or determines that it is
4 required to act under subsection (b), it shall so notify the
5 Chicago Transit Authority, the Mayor of Chicago, the Governor,
6 the Auditor General of the State of Illinois, and the General
7 Assembly.

8 (Source: P.A. 94-839, eff. 6-6-06.)

9 (70 ILCS 3615/4.02b)

10 Sec. 4.02b. Other contributions to pension funds.

11 (a) The Authority shall continually review the payment of
12 the required employer contributions to affected pension plans
13 under Section 22-103 of the Illinois Pension Code.

14 (b) Beginning January 1, 2009, if at any time the Authority
15 determines that the Commuter Rail Board's or Suburban Bus
16 Board's payment of any portion of the required contributions to
17 an affected pension plan under Section 22-103 of the Illinois
18 Pension Code is more than one month overdue, it shall as soon
19 as possible pay the amount of those overdue contributions to
20 the trustee of the affected pension plan on behalf of that
21 Service Board out of moneys otherwise payable to that Service
22 Board under Section 4.03.3 ~~subsection (c) of Section 4.02~~ of
23 this Act. The Authority shall thereafter have no liability to
24 the Service Board for amounts paid to the trustee of the
25 affected pension plan under this Section.

1 (c) Whenever the Authority acts or determines that it is
2 required to act under subsection (b), it shall so notify the
3 affected Service Board, the Mayor of Chicago, the Governor, the
4 Auditor General of the State of Illinois, and the General
5 Assembly.

6 (d) Beginning January 1, 2009, if the Authority fails to
7 pay to an affected pension fund within 30 days after it is due
8 any employer contribution that it is required to make as a
9 contributing employer under Section 22-103 of the Illinois
10 Pension Code, it shall promptly so notify the Commission on
11 Government Forecasting and Accountability, the Mayor of
12 Chicago, the Governor, and the General Assembly, and it shall
13 promptly pay the overdue amount out of the first money
14 available to the Authority for its administrative expenses, as
15 that term is defined in Section 4.01(c).

16 (Source: P.A. 94-839, eff. 6-6-06.)

17 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

18 Sec. 4.03. Taxes.

19 (a) In order to carry out any of the powers or purposes of
20 the Authority, the Board may by ordinance adopted with the
21 concurrence of 12 ~~9~~ of the then Directors, impose throughout
22 the metropolitan region any or all of the taxes provided in
23 this Section. Except as otherwise provided in this Act, taxes
24 imposed under this Section and civil penalties imposed incident
25 thereto shall be collected and enforced by the State Department

1 of Revenue. The Department shall have the power to administer
2 and enforce the taxes and to determine all rights for refunds
3 for erroneous payments of the taxes. Nothing in this amendatory
4 Act of the 95th General Assembly is intended to invalidate any
5 taxes currently imposed by the Authority. The increased vote
6 requirements to impose a tax shall only apply to actions taken
7 after the effective date of this amendatory Act of the 95th
8 General Assembly.

9 (b) The Board may impose a public transportation tax upon
10 all persons engaged in the metropolitan region in the business
11 of selling at retail motor fuel for operation of motor vehicles
12 upon public highways. The tax shall be at a rate not to exceed
13 5% of the gross receipts from the sales of motor fuel in the
14 course of the business. As used in this Act, the term "motor
15 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
16 The Board may provide for details of the tax. The provisions of
17 any tax shall conform, as closely as may be practicable, to the
18 provisions of the Municipal Retailers Occupation Tax Act,
19 including without limitation, conformity to penalties with
20 respect to the tax imposed and as to the powers of the State
21 Department of Revenue to promulgate and enforce rules and
22 regulations relating to the administration and enforcement of
23 the provisions of the tax imposed, except that reference in the
24 Act to any municipality shall refer to the Authority and the
25 tax shall be imposed only with regard to receipts from sales of
26 motor fuel in the metropolitan region, at rates as limited by

1 this Section.

2 (c) In connection with the tax imposed under paragraph (b)
3 of this Section the Board may impose a tax upon the privilege
4 of using in the metropolitan region motor fuel for the
5 operation of a motor vehicle upon public highways, the tax to
6 be at a rate not in excess of the rate of tax imposed under
7 paragraph (b) of this Section. The Board may provide for
8 details of the tax.

9 (d) The Board may impose a motor vehicle parking tax upon
10 the privilege of parking motor vehicles at off-street parking
11 facilities in the metropolitan region at which a fee is
12 charged, and may provide for reasonable classifications in and
13 exemptions to the tax, for administration and enforcement
14 thereof and for civil penalties and refunds thereunder and may
15 provide criminal penalties thereunder, the maximum penalties
16 not to exceed the maximum criminal penalties provided in the
17 Retailers' Occupation Tax Act. The Authority may collect and
18 enforce the tax itself or by contract with any unit of local
19 government. The State Department of Revenue shall have no
20 responsibility for the collection and enforcement unless the
21 Department agrees with the Authority to undertake the
22 collection and enforcement. As used in this paragraph, the term
23 "parking facility" means a parking area or structure having
24 parking spaces for more than 2 vehicles at which motor vehicles
25 are permitted to park in return for an hourly, daily, or other
26 periodic fee, whether publicly or privately owned, but does not

1 include parking spaces on a public street, the use of which is
2 regulated by parking meters.

3 (e) The Board may impose a Regional Transportation
4 Authority Retailers' Occupation Tax upon all persons engaged in
5 the business of selling tangible personal property at retail in
6 the metropolitan region. In Cook County the tax rate shall be
7 1.25% ~~1%~~ of the gross receipts from sales of food for human
8 consumption that is to be consumed off the premises where it is
9 sold (other than alcoholic beverages, soft drinks and food that
10 has been prepared for immediate consumption) and prescription
11 and nonprescription medicines, drugs, medical appliances and
12 insulin, urine testing materials, syringes and needles used by
13 diabetics, and 1% ~~3/4%~~ of the gross receipts from other taxable
14 sales made in the course of that business. In DuPage, Kane,
15 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
16 ~~1/4%~~ of the gross receipts from all taxable sales made in the
17 course of that business. The tax imposed under this Section and
18 all civil penalties that may be assessed as an incident thereof
19 shall be collected and enforced by the State Department of
20 Revenue. The Department shall have full power to administer and
21 enforce this Section; to collect all taxes and penalties so
22 collected in the manner hereinafter provided; and to determine
23 all rights to credit memoranda arising on account of the
24 erroneous payment of tax or penalty hereunder. In the
25 administration of, and compliance with this Section, the
26 Department and persons who are subject to this Section shall

1 have the same rights, remedies, privileges, immunities, powers
2 and duties, and be subject to the same conditions,
3 restrictions, limitations, penalties, exclusions, exemptions
4 and definitions of terms, and employ the same modes of
5 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
6 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
7 therein other than the State rate of tax), 2c, 3 (except as to
8 the disposition of taxes and penalties collected), 4, 5, 5a,
9 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
10 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
11 Section 3-7 of the Uniform Penalty and Interest Act, as fully
12 as if those provisions were set forth herein.

13 Persons subject to any tax imposed under the authority
14 granted in this Section may reimburse themselves for their
15 seller's tax liability hereunder by separately stating the tax
16 as an additional charge, which charge may be stated in
17 combination in a single amount with State taxes that sellers
18 are required to collect under the Use Tax Act, under any
19 bracket schedules the Department may prescribe.

20 Whenever the Department determines that a refund should be
21 made under this Section to a claimant instead of issuing a
22 credit memorandum, the Department shall notify the State
23 Comptroller, who shall cause the warrant to be drawn for the
24 amount specified, and to the person named, in the notification
25 from the Department. The refund shall be paid by the State
26 Treasurer out of the Regional Transportation Authority tax fund

1 established under paragraph (n) of this Section.

2 If a tax is imposed under this subsection (e), a tax shall
3 also be imposed under subsections (f) and (g) of this Section.

4 For the purpose of determining whether a tax authorized
5 under this Section is applicable, a retail sale by a producer
6 of coal or other mineral mined in Illinois, is a sale at retail
7 at the place where the coal or other mineral mined in Illinois
8 is extracted from the earth. This paragraph does not apply to
9 coal or other mineral when it is delivered or shipped by the
10 seller to the purchaser at a point outside Illinois so that the
11 sale is exempt under the Federal Constitution as a sale in
12 interstate or foreign commerce.

13 No tax shall be imposed or collected under this subsection
14 on the sale of a motor vehicle in this State to a resident of
15 another state if that motor vehicle will not be titled in this
16 State.

17 Nothing in this Section shall be construed to authorize the
18 Regional Transportation Authority to impose a tax upon the
19 privilege of engaging in any business that under the
20 Constitution of the United States may not be made the subject
21 of taxation by this State.

22 (f) If a tax has been imposed under paragraph (e), a
23 Regional Transportation Authority Service Occupation Tax shall
24 also be imposed upon all persons engaged, in the metropolitan
25 region in the business of making sales of service, who as an
26 incident to making the sales of service, transfer tangible

1 personal property within the metropolitan region, either in the
2 form of tangible personal property or in the form of real
3 estate as an incident to a sale of service. In Cook County, the
4 tax rate shall be: (1) 1.25% ~~1%~~ of the serviceman's cost price
5 of food prepared for immediate consumption and transferred
6 incident to a sale of service subject to the service occupation
7 tax by an entity licensed under the Hospital Licensing Act or
8 the Nursing Home Care Act that is located in the metropolitan
9 region; (2) 1.25% ~~1%~~ of the selling price of food for human
10 consumption that is to be consumed off the premises where it is
11 sold (other than alcoholic beverages, soft drinks and food that
12 has been prepared for immediate consumption) and prescription
13 and nonprescription medicines, drugs, medical appliances and
14 insulin, urine testing materials, syringes and needles used by
15 diabetics; and (3) 1% ~~3/4%~~ of the selling price from other
16 taxable sales of tangible personal property transferred. In
17 DuPage, Kane, Lake, McHenry and Will Counties the rate shall be
18 0.75% ~~1/4%~~ of the selling price of all tangible personal
19 property transferred.

20 The tax imposed under this paragraph and all civil
21 penalties that may be assessed as an incident thereof shall be
22 collected and enforced by the State Department of Revenue. The
23 Department shall have full power to administer and enforce this
24 paragraph; to collect all taxes and penalties due hereunder; to
25 dispose of taxes and penalties collected in the manner
26 hereinafter provided; and to determine all rights to credit

1 memoranda arising on account of the erroneous payment of tax or
2 penalty hereunder. In the administration of and compliance with
3 this paragraph, the Department and persons who are subject to
4 this paragraph shall have the same rights, remedies,
5 privileges, immunities, powers and duties, and be subject to
6 the same conditions, restrictions, limitations, penalties,
7 exclusions, exemptions and definitions of terms, and employ the
8 same modes of procedure, as are prescribed in Sections 1a-1, 2,
9 2a, 3 through 3-50 (in respect to all provisions therein other
10 than the State rate of tax), 4 (except that the reference to
11 the State shall be to the Authority), 5, 7, 8 (except that the
12 jurisdiction to which the tax shall be a debt to the extent
13 indicated in that Section 8 shall be the Authority), 9 (except
14 as to the disposition of taxes and penalties collected, and
15 except that the returned merchandise credit for this tax may
16 not be taken against any State tax), 10, 11, 12 (except the
17 reference therein to Section 2b of the Retailers' Occupation
18 Tax Act), 13 (except that any reference to the State shall mean
19 the Authority), the first paragraph of Section 15, 16, 17, 18,
20 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
21 the Uniform Penalty and Interest Act, as fully as if those
22 provisions were set forth herein.

23 Persons subject to any tax imposed under the authority
24 granted in this paragraph may reimburse themselves for their
25 serviceman's tax liability hereunder by separately stating the
26 tax as an additional charge, that charge may be stated in

1 combination in a single amount with State tax that servicemen
2 are authorized to collect under the Service Use Tax Act, under
3 any bracket schedules the Department may prescribe.

4 Whenever the Department determines that a refund should be
5 made under this paragraph 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 notification
9 from the Department. The refund shall be paid by the State
10 Treasurer out of the Regional Transportation Authority tax fund
11 established under paragraph (n) of this Section.

12 Nothing in this paragraph shall be construed to authorize
13 the Authority to impose a tax upon the privilege of engaging in
14 any business that under the Constitution of the United States
15 may not be made the subject of taxation by the State.

16 (g) If a tax has been imposed under paragraph (e), a tax
17 shall also be imposed upon the privilege of using in the
18 metropolitan region, any item of tangible personal property
19 that is purchased outside the metropolitan region at retail
20 from a retailer, and that is titled or registered with an
21 agency of this State's government. In Cook County the tax rate
22 shall be 1% ~~3/4%~~ of the selling price of the tangible personal
23 property, as "selling price" is defined in the Use Tax Act. In
24 DuPage, Kane, Lake, McHenry and Will counties the tax rate
25 shall be 0.75% ~~1/4%~~ of the selling price of the tangible
26 personal property, as "selling price" is defined in the Use Tax

1 Act. The tax shall be collected from persons whose Illinois
2 address for titling or registration purposes is given as being
3 in the metropolitan region. The tax shall be collected by the
4 Department of Revenue for the Regional Transportation
5 Authority. The tax must be paid to the State, or an exemption
6 determination must be obtained from the Department of Revenue,
7 before the title or certificate of registration for the
8 property may be issued. The tax or proof of exemption may be
9 transmitted to the Department by way of the State agency with
10 which, or the State officer with whom, the tangible personal
11 property must be titled or registered if the Department and the
12 State agency or State officer determine that this procedure
13 will expedite the processing of applications for title or
14 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 collected in the manner hereinafter provided; and to
19 determine all rights to credit memoranda or refunds arising on
20 account of the erroneous payment of tax, penalty or interest
21 hereunder. In the administration of and compliance with this
22 paragraph, the Department and persons who are subject to this
23 paragraph shall have the same rights, remedies, privileges,
24 immunities, powers and duties, and be subject to the same
25 conditions, restrictions, limitations, penalties, exclusions,
26 exemptions and definitions of terms and employ the same modes

1 of procedure, as are prescribed in Sections 2 (except the
2 definition of "retailer maintaining a place of business in this
3 State"), 3 through 3-80 (except provisions pertaining to the
4 State rate of tax, and except provisions concerning collection
5 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
6 19 (except the portions pertaining to claims by retailers and
7 except the last paragraph concerning refunds), 20, 21 and 22 of
8 the Use Tax Act, and are not inconsistent with this paragraph,
9 as fully as if those provisions were set forth herein.

10 Whenever the Department determines that a refund should be
11 made under this paragraph to a claimant instead of issuing a
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause the order to be drawn for the
14 amount specified, and to the person named in the notification
15 from the Department. The refund shall be paid by the State
16 Treasurer out of the Regional Transportation Authority tax fund
17 established under paragraph (n) of this Section.

18 (h) The Authority may impose a replacement vehicle tax of
19 \$50 on any passenger car as defined in Section 1-157 of the
20 Illinois Vehicle Code purchased within the metropolitan region
21 by or on behalf of an insurance company to replace a passenger
22 car of an insured person in settlement of a total loss claim.
23 The tax imposed may not become effective before the first day
24 of the month following the passage of the ordinance imposing
25 the tax and receipt of a certified copy of the ordinance by the
26 Department of Revenue. The Department of Revenue shall collect

1 the tax for the Authority in accordance with Sections 3-2002
2 and 3-2003 of the Illinois Vehicle Code.

3 The Department shall immediately pay over to the State
4 Treasurer, ex officio, as trustee, all taxes collected
5 hereunder. On or before the 25th day of each calendar month,
6 the Department shall prepare and certify to the Comptroller the
7 disbursement of stated sums of money to the Authority. The
8 amount to be paid to the Authority shall be the amount
9 collected hereunder during the second preceding calendar month
10 by the Department, less any amount determined by the Department
11 to be necessary for the payment of refunds. Within 10 days
12 after receipt by the Comptroller of the disbursement
13 certification to the Authority provided for in this Section to
14 be given to the Comptroller by the Department, the Comptroller
15 shall cause the orders to be drawn for that amount in
16 accordance with the directions contained in the certification.

17 (i) The Board may not impose any other taxes except as it
18 may from time to time be authorized by law to impose.

19 (j) A certificate of registration issued by the State
20 Department of Revenue to a retailer under the Retailers'
21 Occupation Tax Act or under the Service Occupation Tax Act
22 shall permit the registrant to engage in a business that is
23 taxed under the tax imposed under paragraphs (b), (e), (f) or
24 (g) of this Section and no additional registration shall be
25 required under the tax. A certificate issued under the Use Tax
26 Act or the Service Use Tax Act shall be applicable with regard

1 to any tax imposed under paragraph (c) of this Section.

2 (k) The provisions of any tax imposed under paragraph (c)
3 of this Section shall conform as closely as may be practicable
4 to the provisions of the Use Tax Act, including without
5 limitation conformity as to penalties with respect to the tax
6 imposed and as to the powers of the State Department of Revenue
7 to promulgate and enforce rules and regulations relating to the
8 administration and enforcement of the provisions of the tax
9 imposed. The taxes shall be imposed only on use within the
10 metropolitan region and at rates as provided in the paragraph.

11 (l) The Board in imposing any tax as provided in paragraphs
12 (b) and (c) of this Section, shall, after seeking the advice of
13 the State Department of Revenue, provide means for retailers,
14 users or purchasers of motor fuel for purposes other than those
15 with regard to which the taxes may be imposed as provided in
16 those paragraphs to receive refunds of taxes improperly paid,
17 which provisions may be at variance with the refund provisions
18 as applicable under the Municipal Retailers Occupation Tax Act.
19 The State Department of Revenue may provide for certificates of
20 registration for users or purchasers of motor fuel for purposes
21 other than those with regard to which taxes may be imposed as
22 provided in paragraphs (b) and (c) of this Section to
23 facilitate the reporting and nontaxability of the exempt sales
24 or uses.

25 (m) Any ordinance imposing or discontinuing any tax under
26 this Section shall be adopted and a certified copy thereof

1 filed with the Department on or before June 1, whereupon the
2 Department of Revenue shall proceed to administer and enforce
3 this Section on behalf of the Regional Transportation Authority
4 as of September 1 next following such adoption and filing.
5 Beginning January 1, 1992, an ordinance or resolution imposing
6 or discontinuing the tax hereunder shall be adopted and a
7 certified copy thereof filed with the Department on or before
8 the first day of July, whereupon the Department shall proceed
9 to administer and enforce this Section as of the first day of
10 October next following such adoption and filing. Beginning
11 January 1, 1993, an ordinance or resolution imposing,
12 increasing, decreasing, or discontinuing the tax hereunder
13 shall be adopted and a certified copy thereof filed with the
14 Department ~~on or before the first day of October,~~ whereupon the
15 Department shall proceed to administer and enforce this Section
16 as of the first day of the first month to occur not less than 60
17 days ~~January next~~ following such adoption and filing. Any
18 ordinance or resolution of the Authority imposing a tax under
19 this Section and in effect on August 1, 2007 shall remain in
20 full force and effect and shall be administered by the
21 Department of Revenue under the terms and conditions and rates
22 of tax established by such ordinance or resolution until the
23 Department begins administering and enforcing an increased tax
24 under this Section as authorized by this amendatory Act of the
25 95th General Assembly. The tax rates authorized by this
26 amendatory Act of the 95th General Assembly are effective only

1 if imposed by ordinance of the Authority.

2 (n) The State Department of Revenue shall, upon collecting
3 any taxes as provided in this Section, pay the taxes over to
4 the State Treasurer as trustee for the Authority. The taxes
5 shall be held in a trust fund outside the State Treasury. On or
6 before the 25th day of each calendar month, the State
7 Department of Revenue shall prepare and certify to the
8 Comptroller of the State of Illinois and ~~the amount to be paid~~
9 ~~to the Authority, which shall be the then balance in the fund,~~
10 ~~less any amount determined by the Department to be necessary~~
11 ~~for the payment of refunds. The State Department of Revenue~~
12 ~~shall also certify~~ to the Authority (i) the amount of taxes
13 collected in each County other than Cook County in the
14 metropolitan region, (ii) ~~less the amount necessary for the~~
15 ~~payment of refunds to taxpayers in the County. With regard to~~
16 ~~the County of Cook, the certification shall specify~~ the amount
17 of taxes collected within the City of Chicago, ~~less the amount~~
18 ~~necessary for the payment of refunds to taxpayers in the City~~
19 ~~of Chicago~~ and (iii) the amount collected in that portion of
20 Cook County outside of Chicago, each amount less the amount
21 necessary for the payment of refunds to taxpayers located in
22 those areas described in items (i), (ii), and (iii) ~~in that~~
23 ~~portion of Cook County outside of Chicago.~~ Within 10 days after
24 receipt by the Comptroller of the certification of the amounts
25 ~~amount to be paid to the Authority,~~ the Comptroller shall cause
26 an order to be drawn for the payment of two-thirds of the

1 amounts certified in item (i) of this subsection to the
2 Authority and one-third of the amounts certified in item (i) of
3 this subsection to the respective counties other than Cook
4 County and the amount certified in items (ii) and (iii) of this
5 subsection to the Authority ~~for the amount in accordance with~~
6 ~~the direction in the certification.~~

7 In addition to the disbursement required by the preceding
8 paragraph, an allocation shall be made in July 1991 and each
9 year thereafter to the Regional Transportation Authority. The
10 allocation shall be made in an amount equal to the average
11 monthly distribution during the preceding calendar year
12 (excluding the 2 months of lowest receipts) and the allocation
13 shall include the amount of average monthly distribution from
14 the Regional Transportation Authority Occupation and Use Tax
15 Replacement Fund. The distribution made in July 1992 and each
16 year thereafter under this paragraph and the preceding
17 paragraph shall be reduced by the amount allocated and
18 disbursed under this paragraph in the preceding calendar year.
19 The Department of Revenue shall prepare and certify to the
20 Comptroller for disbursement the allocations made in
21 accordance with this paragraph.

22 (o) Failure to adopt a budget ordinance or otherwise to
23 comply with Section 4.01 of this Act or to adopt a Five-year
24 Capital Program or otherwise to comply with paragraph (b) of
25 Section 2.01 of this Act shall not affect the validity of any
26 tax imposed by the Authority otherwise in conformity with law.

1 (p) At no time shall a public transportation tax or motor
2 vehicle parking tax authorized under paragraphs (b), (c) and
3 (d) of this Section be in effect at the same time as any
4 retailers' occupation, use or service occupation tax
5 authorized under paragraphs (e), (f) and (g) of this Section is
6 in effect.

7 Any taxes imposed under the authority provided in
8 paragraphs (b), (c) and (d) shall remain in effect only until
9 the time as any tax authorized by paragraphs (e), (f) or (g) of
10 this Section are imposed and becomes effective. Once any tax
11 authorized by paragraphs (e), (f) or (g) is imposed the Board
12 may not reimpose taxes as authorized in paragraphs (b), (c) and
13 (d) of the Section unless any tax authorized by paragraphs (e),
14 (f) or (g) of this Section becomes ineffective by means other
15 than an ordinance of the Board.

16 (q) Any existing rights, remedies and obligations
17 (including enforcement by the Regional Transportation
18 Authority) arising under any tax imposed under paragraphs (b),
19 (c) or (d) of this Section shall not be affected by the
20 imposition of a tax under paragraphs (e), (f) or (g) of this
21 Section.

22 (Source: P.A. 92-221, eff. 8-2-01; 92-651, eff. 7-11-02;
23 93-1068, eff. 1-15-05.)

24 (70 ILCS 3615/4.03.3 new)

25 Sec. 4.03.3. Distribution of Revenues. This Section

1 applies only after the Department begins administering and
2 enforcing an increased tax under Section 4.03(m) as authorized
3 by this amendatory Act of the 95th General Assembly. After
4 providing for payment of its obligations with respect to bonds
5 and notes issued under the provisions of Section 4.04 and
6 obligations related to those bonds and notes, the Authority
7 shall disburse the remaining proceeds from taxes it has
8 received from the Department of Revenue under this Article IV
9 and the remaining proceeds it has received from the State under
10 Section 4.09(a) as follows:

11 (a) With respect to taxes imposed by the Authority under
12 Section 4.03, after withholding 15% of 80% of the receipts from
13 those taxes collected in Cook County at a rate of 1.25%, 15% of
14 75% of the receipts from those taxes collected in Cook County
15 at the rate of 1%, 15% of one-half of the receipts from those
16 taxes collected in DuPage, Kane, Lake, McHenry, and Will
17 Counties, and 15% of money received by the Authority from the
18 Regional Transportation Authority Occupation and Use Tax
19 Replacement Fund or from the Regional Transportation Authority
20 tax fund created in Section 4.03(n), the Board shall allocate
21 the proceeds and money remaining to the Service Boards as
22 follows:

23 (1) an amount equal to (i) 85% of 80% of the receipts
24 from those taxes collected within the City of Chicago at a
25 rate of 1.25%, (ii) 85% of 75% of the receipts from those
26 taxes collected in the City of Chicago at the rate of 1%,

1 and (iii) 85% of the money received by the Authority on
2 account of transfers to the Regional Transportation
3 Authority Occupation and Use Tax Replacement Fund or to the
4 Regional Transportation Authority tax fund created in
5 Section 4.03(n) from the County and Mass Transit District
6 Fund attributable to retail sales within the City of
7 Chicago shall be allocated to the Chicago Transit
8 Authority;

9 (2) an amount equal to (i) 85% of 80% of the receipts
10 from those taxes collected within Cook County outside of
11 the City of Chicago at a rate of 1.25%, (ii) 85% of 75% of
12 the receipts from those taxes collected within Cook County
13 outside the City of Chicago at a rate of 1%, and (iii) 85%
14 of the money received by the Authority on account of
15 transfers to the Regional Transportation Authority
16 Occupation and Use Tax Replacement Fund or to the Regional
17 Transportation Authority tax fund created in Section
18 4.03(n) from the County and Mass Transit District Fund
19 attributable to retail sales within Cook County outside of
20 the City of Chicago shall be allocated 30% to the Chicago
21 Transit Authority, 55% to the Commuter Rail Board, and 15%
22 to the Suburban Bus Board; and

23 (3) an amount equal to 85% of one-half of the receipts
24 from the taxes collected within the Counties of DuPage,
25 Kane, Lake, McHenry, and Will shall be allocated 70% to the
26 Commuter Rail Board and 30% to the Suburban Bus Board.

1 (b) Moneys received by the Authority on account of
2 transfers to the Regional Transportation Authority Occupation
3 and Use Tax Replacement Fund from the State and Local Sales Tax
4 Reform Fund shall be allocated among the Authority and the
5 Service Boards as follows: 15% of such moneys shall be retained
6 by the Authority and the remaining 85% shall be transferred to
7 the Service Boards as soon as may be practicable after the
8 Authority receives payment. Moneys which are distributable to
9 the Service Boards pursuant to the preceding sentence shall be
10 allocated among the Service Boards on the basis of each Service
11 Board's distribution ratio. The term "distribution ratio"
12 means, for purposes of this subsection (b), the ratio of the
13 total amount distributed to a Service Board pursuant to
14 subsection (a) of Section 4.03.3 for the immediately preceding
15 calendar year to the total amount distributed to all of the
16 Service Boards pursuant to subsection (a) of Section 4.03.3 for
17 the immediately preceding calendar year.

18 (c) (i) 20% of the receipts from those taxes collected in
19 Cook County under Section 4.03 at the rate of 1.25%, (ii) 25%
20 of the receipts from those taxes collected in Cook County under
21 Section 4.03 at the rate of 1%, (iii) 50% of the receipts from
22 those taxes collected in DuPage, Kane, Lake, McHenry, and Will
23 Counties under Section 4.03, and (iv) amounts received from the
24 State under Section 4.09 (a) (2) and items (i), (ii), and (iii)
25 of Section 4.09 (a) (3) shall be allocated as follows: in 2008,
26 \$100,000,000 shall be deposited in the ADA Paratransit Fund

1 described in Section 2.01d, \$20,000,000 shall be deposited in
2 the Suburban Community Mobility Fund described in Section
3 2.01e, and \$10,000,000 shall be deposited in the Innovation,
4 Coordination and Enhancement Fund described in Section 2.01c,
5 and the balance shall be allocated 48% to the Chicago Transit
6 Authority, 39% to the Commuter Rail Board, and 13% to the
7 Suburban Bus Board; and in 2009 and each year thereafter, the
8 amounts deposited in the ADA Paratransit Fund, the Suburban
9 Community Mobility Fund and the Innovation, Coordination and
10 Enhancement Fund respectively shall equal the amount deposited
11 in the previous year increased or decreased by the percentage
12 growth or decline in revenues received by the Authority from
13 taxes imposed under Section 4.03 in the previous year, and the
14 balance shall be allocated 48% to the Chicago Transit
15 Authority, 39% to the Commuter Rail Board and 13% to the
16 Suburban Bus Board.

17 (d) Amounts received from the State under Section 4.09
18 (a)(3)(iv) shall be distributed 100% to the Chicago Transit
19 Authority.

20 (e) With respect to those taxes collected in DuPage, Kane,
21 Lake, McHenry, and Will Counties and paid directly to the
22 counties under Section 4.03, the County Board of each county
23 shall use those amounts to fund operating and capital costs of
24 public safety and public transportation services or facilities
25 or to fund operating, capital, right-of-way, construction, and
26 maintenance costs of other transportation purposes, including

1 road, bridge, public safety, and transit purposes intended to
2 improve mobility or reduce congestion in the county. The
3 receipt of funding by such counties pursuant to this paragraph
4 shall not be used as the basis for reducing any funds that such
5 counties would otherwise have received from the State of
6 Illinois, any agency or instrumentality thereof, the
7 Authority, or the Service Boards.

8 (f) The Authority by ordinance adopted by 12 of its then
9 Directors shall apportion to the Service Boards funds provided
10 by the State of Illinois under Section 4.09(a)(1) as it shall
11 determine and shall make payment of the amounts to each Service
12 Board as soon as may be practicable upon their receipt provided
13 the Authority has adopted a balanced budget as required by
14 Section 4.01 and further provided the Service Board is in
15 compliance with the requirements in Section 4.11.

16 (g) Beginning January 1, 2009, before making any payments,
17 transfers, or expenditures under this Section to a Service
18 Board, the Authority must first comply with Section 4.02a or
19 4.02b of this Act, whichever may be applicable.

20 (70 ILCS 3615/4.04) (from Ch. 111 2/3, par. 704.04)

21 Sec. 4.04. Issuance and Pledge of Bonds and Notes.

22 (a) The Authority shall have the continuing power to borrow
23 money and to issue its negotiable bonds or notes as provided in
24 this Section. Unless otherwise indicated in this Section, the
25 term "notes" also includes bond anticipation notes, which are

1 notes which by their terms provide for their payment from the
2 proceeds of bonds thereafter to be issued. Bonds or notes of
3 the Authority may be issued for any or all of the following
4 purposes: to pay costs to the Authority or a Service Board of
5 constructing or acquiring any public transportation facilities
6 (including funds and rights relating thereto, as provided in
7 Section 2.05 of this Act); to repay advances to the Authority
8 or a Service Board made for such purposes; to pay other
9 expenses of the Authority or a Service Board incident to or
10 incurred in connection with such construction or acquisition;
11 to provide funds for any transportation agency to pay principal
12 of or interest or redemption premium on any bonds or notes,
13 whether as such amounts become due or by earlier redemption,
14 issued prior to the date of this amendatory Act by such
15 transportation agency to construct or acquire public
16 transportation facilities or to provide funds to purchase such
17 bonds or notes; and to provide funds for any transportation
18 agency to construct or acquire any public transportation
19 facilities, to repay advances made for such purposes, and to
20 pay other expenses incident to or incurred in connection with
21 such construction or acquisition; and to provide funds for
22 payment of obligations, including the funding of reserves,
23 under any self-insurance plan or joint self-insurance pool or
24 entity.

25 In addition to any other borrowing as may be authorized by
26 this Section, the Authority may issue its notes, from time to

1 time, in anticipation of tax receipts of the Authority or of
2 other revenues or receipts of the Authority, in order to
3 provide money for the Authority or the Service Boards to cover
4 any cash flow deficit which the Authority or a Service Board
5 anticipates incurring. Any such notes are referred to in this
6 Section as "Working Cash Notes". No Working Cash Notes shall be
7 issued for a term of longer than 24 ~~18~~ months. Proceeds of
8 Working Cash Notes may be used to pay day to day operating
9 expenses of the Authority or the Service Boards, consisting of
10 wages, salaries and fringe benefits, professional and
11 technical services (including legal, audit, engineering and
12 other consulting services), office rental, furniture, fixtures
13 and equipment, insurance premiums, claims for self-insured
14 amounts under insurance policies, public utility obligations
15 for telephone, light, heat and similar items, travel expenses,
16 office supplies, postage, dues, subscriptions, public hearings
17 and information expenses, fuel purchases, and payments of
18 grants and payments under purchase of service agreements for
19 operations of transportation agencies, prior to the receipt by
20 the Authority or a Service Board from time to time of funds for
21 paying such expenses. In addition to any Working Cash Notes
22 that the Board of the Authority may determine to issue, the
23 Suburban Bus Board, the Commuter Rail Board or the Board of the
24 Chicago Transit Authority may demand and direct that the
25 Authority issue its Working Cash Notes in such amounts and
26 having such maturities as the Service Board may determine.

1 Notwithstanding any other provision of this Act, any
2 amounts necessary to pay principal of and interest on any
3 Working Cash Notes issued at the demand and direction of a
4 Service Board or any Working Cash Notes the proceeds of which
5 were used for the direct benefit of a Service Board or any
6 other Bonds or Notes of the Authority the proceeds of which
7 were used for the direct benefit of a Service Board shall
8 constitute a reduction of the amount of any other funds
9 provided by the Authority to that Service Board. The Authority
10 shall, after deducting any costs of issuance, tender the net
11 proceeds of any Working Cash Notes issued at the demand and
12 direction of a Service Board to such Service Board as soon as
13 may be practicable after the proceeds are received. The
14 Authority may also issue notes or bonds to pay, refund or
15 redeem any of its notes and bonds, including to pay redemption
16 premiums or accrued interest on such bonds or notes being
17 renewed, paid or refunded, and other costs in connection
18 therewith. The Authority may also utilize the proceeds of any
19 such bonds or notes to pay the legal, financial, administrative
20 and other expenses of such authorization, issuance, sale or
21 delivery of bonds or notes or to provide or increase a debt
22 service reserve fund with respect to any or all of its bonds or
23 notes. The Authority may also issue and deliver its bonds or
24 notes in exchange for any public transportation facilities,
25 (including funds and rights relating thereto, as provided in
26 Section 2.05 of this Act) or in exchange for outstanding bonds

1 or notes of the Authority, including any accrued interest or
2 redemption premium thereon, without advertising or submitting
3 such notes or bonds for public bidding.

4 (b) The ordinance providing for the issuance of any such
5 bonds or notes shall fix the date or dates of maturity, the
6 dates on which interest is payable, any sinking fund account or
7 reserve fund account provisions and all other details of such
8 bonds or notes and may provide for such covenants or agreements
9 necessary or desirable with regard to the issue, sale and
10 security of such bonds or notes. The rate or rates of interest
11 on its bonds or notes may be fixed or variable and the
12 Authority shall determine or provide for the determination of
13 the rate or rates of interest of its bonds or notes issued
14 under this Act in an ordinance adopted by the Authority prior
15 to the issuance thereof, none of which rates of interest shall
16 exceed that permitted in the Bond Authorization Act. Interest
17 may be payable at such times as are provided for by the Board.
18 Bonds and notes issued under this Section may be issued as
19 serial or term obligations, shall be of such denomination or
20 denominations and form, including interest coupons to be
21 attached thereto, be executed in such manner, shall be payable
22 at such place or places and bear such date as the Authority
23 shall fix by the ordinance authorizing such bond or note and
24 shall mature at such time or times, within a period not to
25 exceed forty years from the date of issue, and may be
26 redeemable prior to maturity with or without premium, at the

1 option of the Authority, upon such terms and conditions as the
2 Authority shall fix by the ordinance authorizing the issuance
3 of such bonds or notes. No bond anticipation note or any
4 renewal thereof shall mature at any time or times exceeding 5
5 years from the date of the first issuance of such note. The
6 Authority may provide for the registration of bonds or notes in
7 the name of the owner as to the principal alone or as to both
8 principal and interest, upon such terms and conditions as the
9 Authority may determine. The ordinance authorizing bonds or
10 notes may provide for the exchange of such bonds or notes which
11 are fully registered, as to both principal and interest, with
12 bonds or notes which are registerable as to principal only. All
13 bonds or notes issued under this Section by the Authority other
14 than those issued in exchange for property or for bonds or
15 notes of the Authority shall be sold at a price which may be at
16 a premium or discount but such that the interest cost
17 (excluding any redemption premium) to the Authority of the
18 proceeds of an issue of such bonds or notes, computed to stated
19 maturity according to standard tables of bond values, shall not
20 exceed that permitted in the Bond Authorization Act. The
21 Authority shall notify the Governor's Office of Management and
22 Budget and the State Comptroller at least 30 days before any
23 bond sale and shall file with the Governor's Office of
24 Management and Budget and the State Comptroller a certified
25 copy of any ordinance authorizing the issuance of bonds at or
26 before the issuance of the bonds. After December 31, 1994, any

1 such bonds or notes shall be sold to the highest and best
2 bidder on sealed bids as the Authority shall deem. As such
3 bonds or notes are to be sold the Authority shall advertise for
4 proposals to purchase the bonds or notes which advertisement
5 shall be published at least once in a daily newspaper of
6 general circulation published in the metropolitan region at
7 least 10 days before the time set for the submission of bids.
8 The Authority shall have the right to reject any or all bids.
9 Notwithstanding any other provisions of this Section, Working
10 Cash Notes or bonds or notes to provide funds for
11 self-insurance or a joint self-insurance pool or entity may be
12 sold either upon competitive bidding or by negotiated sale
13 (without any requirement of publication of intention to
14 negotiate the sale of such Notes), as the Board shall determine
15 by ordinance adopted with the affirmative votes of at least 9 ~~7~~
16 Directors. In case any officer whose signature appears on any
17 bonds, notes or coupons authorized pursuant to this Section
18 shall cease to be such officer before delivery of such bonds or
19 notes, such signature shall nevertheless be valid and
20 sufficient for all purposes, the same as if such officer had
21 remained in office until such delivery. Neither the Directors
22 of the Authority nor any person executing any bonds or notes
23 thereof shall be liable personally on any such bonds or notes
24 or coupons by reason of the issuance thereof.

25 (c) All bonds or notes of the Authority issued pursuant to
26 this Section shall be general obligations of the Authority to

1 which shall be pledged the full faith and credit of the
2 Authority, as provided in this Section. Such bonds or notes
3 shall be secured as provided in the authorizing ordinance,
4 which may, notwithstanding any other provision of this Act,
5 include in addition to any other security, a specific pledge or
6 assignment of and lien on or security interest in any or all
7 tax receipts of the Authority and on any or all other revenues
8 or moneys of the Authority from whatever source, which may by
9 law be utilized for debt service purposes and a specific pledge
10 or assignment of and lien on or security interest in any funds
11 or accounts established or provided for by the ordinance of the
12 Authority authorizing the issuance of such bonds or notes. Any
13 such pledge, assignment, lien or security interest for the
14 benefit of holders of bonds or notes of the Authority shall be
15 valid and binding from the time the bonds or notes are issued
16 without any physical delivery or further act and shall be valid
17 and binding as against and prior to the claims of all other
18 parties having claims of any kind against the Authority or any
19 other person irrespective of whether such other parties have
20 notice of such pledge, assignment, lien or security interest.
21 The obligations of the Authority incurred pursuant to this
22 Section shall be superior to and have priority over any other
23 obligations of the Authority.

24 The Authority may provide in the ordinance authorizing the
25 issuance of any bonds or notes issued pursuant to this Section
26 for the creation of, deposits in, and regulation and

1 disposition of sinking fund or reserve accounts relating to
2 such bonds or notes. The ordinance authorizing the issuance of
3 any bonds or notes pursuant to this Section may contain
4 provisions as part of the contract with the holders of the
5 bonds or notes, for the creation of a separate fund to provide
6 for the payment of principal and interest on such bonds or
7 notes and for the deposit in such fund from any or all the tax
8 receipts of the Authority and from any or all such other moneys
9 or revenues of the Authority from whatever source which may by
10 law be utilized for debt service purposes, all as provided in
11 such ordinance, of amounts to meet the debt service
12 requirements on such bonds or notes, including principal and
13 interest, and any sinking fund or reserve fund account
14 requirements as may be provided by such ordinance, and all
15 expenses incident to or in connection with such fund and
16 accounts or the payment of such bonds or notes. Such ordinance
17 may also provide limitations on the issuance of additional
18 bonds or notes of the Authority. No such bonds or notes of the
19 Authority shall constitute a debt of the State of Illinois.
20 Nothing in this Act shall be construed to enable the Authority
21 to impose any ad valorem tax on property.

22 (d) The ordinance of the Authority authorizing the issuance
23 of any bonds or notes may provide additional security for such
24 bonds or notes by providing for appointment of a corporate
25 trustee (which may be any trust company or bank having the
26 powers of a trust company within the state) with respect to

1 such bonds or notes. The ordinance shall prescribe the rights,
2 duties and powers of the trustee to be exercised for the
3 benefit of the Authority and the protection of the holders of
4 such bonds or notes. The ordinance may provide for the trustee
5 to hold in trust, invest and use amounts in funds and accounts
6 created as provided by the ordinance with respect to the bonds
7 or notes. The ordinance may provide for the assignment and
8 direct payment to the trustee of any or all amounts produced
9 from the sources provided in Section 4.03 and Section 4.09 of
10 this Act and provided in Section 6z-17 of "An Act in relation
11 to State finance", approved June 10, 1919, as amended. Upon
12 receipt of notice of any such assignment, the Department of
13 Revenue and the Comptroller of the State of Illinois shall
14 thereafter, notwithstanding the provisions of Section 4.03 and
15 Section 4.09 of this Act and Section 6z-17 of "An Act in
16 relation to State finance", approved June 10, 1919, as amended,
17 provide for such assigned amounts to be paid directly to the
18 trustee instead of the Authority, all in accordance with the
19 terms of the ordinance making the assignment. The ordinance
20 shall provide that amounts so paid to the trustee which are not
21 required to be deposited, held or invested in funds and
22 accounts created by the ordinance with respect to bonds or
23 notes or used for paying bonds or notes to be paid by the
24 trustee to the Authority.

25 (e) Any bonds or notes of the Authority issued pursuant to
26 this Section shall constitute a contract between the Authority

1 and the holders from time to time of such bonds or notes. In
2 issuing any bond or note, the Authority may include in the
3 ordinance authorizing such issue a covenant as part of the
4 contract with the holders of the bonds or notes, that as long
5 as such obligations are outstanding, it shall make such
6 deposits, as provided in paragraph (c) of this Section. It may
7 also so covenant that it shall impose and continue to impose
8 taxes, as provided in Section 4.03 of this Act and in addition
9 thereto as subsequently authorized by law, sufficient to make
10 such deposits and pay the principal and interest and to meet
11 other debt service requirements of such bonds or notes as they
12 become due. A certified copy of the ordinance authorizing the
13 issuance of any such obligations shall be filed at or prior to
14 the issuance of such obligations with the Comptroller of the
15 State of Illinois and the Illinois Department of Revenue.

16 (f) The State of Illinois pledges to and agrees with the
17 holders of the bonds and notes of the Authority issued pursuant
18 to this Section that the State will not limit or alter the
19 rights and powers vested in the Authority by this Act so as to
20 impair the terms of any contract made by the Authority with
21 such holders or in any way impair the rights and remedies of
22 such holders until such bonds and notes, together with interest
23 thereon, with interest on any unpaid installments of interest,
24 and all costs and expenses in connection with any action or
25 proceedings by or on behalf of such holders, are fully met and
26 discharged. In addition, the State pledges to and agrees with

1 the holders of the bonds and notes of the Authority issued
2 pursuant to this Section that the State will not limit or alter
3 the basis on which State funds are to be paid to the Authority
4 as provided in this Act, or the use of such funds, so as to
5 impair the terms of any such contract. The Authority is
6 authorized to include these pledges and agreements of the State
7 in any contract with the holders of bonds or notes issued
8 pursuant to this Section.

9 (g) (1) Except as provided in subdivisions (g)(2) and
10 (g)(3) of Section 4.04 of this Act, the Authority shall not
11 at any time issue, sell or deliver any bonds or notes
12 (other than Working Cash Notes) pursuant to this Section
13 4.04 which will cause it to have issued and outstanding at
14 any time in excess of \$800,000,000 of such bonds and notes
15 (other than Working Cash Notes). The Authority shall not at
16 any time issue, sell, or deliver any Working Cash Notes
17 pursuant to this Section that will cause it to have issued
18 and outstanding at any time in excess of \$100,000,000.
19 Notwithstanding the foregoing, before July 1, 2009, the
20 Authority may issue, sell, and deliver an additional
21 \$300,000,000 in Working Cash Notes, provided that any such
22 additional notes shall mature on or before June 30, 2011.
23 ~~The Authority shall not at any time issue, sell or deliver~~
24 ~~any Working Cash Notes pursuant to this Section which will~~
25 ~~cause it to have issued and outstanding at any time in~~
26 ~~excess of \$100,000,000 of Working Cash Notes.~~ Bonds or

1 notes which are being paid or retired by such issuance,
2 sale or delivery of bonds or notes, and bonds or notes for
3 which sufficient funds have been deposited with the paying
4 agency of such bonds or notes to provide for payment of
5 principal and interest thereon or to provide for the
6 redemption thereof, all pursuant to the ordinance
7 authorizing the issuance of such bonds or notes, shall not
8 be considered to be outstanding for the purposes of the
9 first two sentences of this subsection.

10 (2) In addition to the authority provided by paragraphs
11 (1) and (3), the Authority is authorized to issue, sell and
12 deliver bonds or notes for Strategic Capital Improvement
13 Projects approved pursuant to Section 4.13 as follows:

14 \$100,000,000 is authorized to be issued on or after
15 January 1, 1990;

16 an additional \$100,000,000 is authorized to be issued
17 on or after January 1, 1991;

18 an additional \$100,000,000 is authorized to be issued
19 on or after January 1, 1992;

20 an additional \$100,000,000 is authorized to be issued
21 on or after January 1, 1993;

22 an additional \$100,000,000 is authorized to be issued
23 on or after January 1, 1994; and

24 the aggregate total authorization of bonds and notes
25 for Strategic Capital Improvement Projects as of January 1,
26 1994, shall be \$500,000,000.

1 The Authority is also authorized to issue, sell, and
2 deliver bonds or notes in such amounts as are necessary to
3 provide for the refunding or advance refunding of bonds or
4 notes issued for Strategic Capital Improvement Projects
5 under this subdivision (g)(2), provided that no such
6 refunding bond or note shall mature later than the final
7 maturity date of the series of bonds or notes being
8 refunded, and provided further that the debt service
9 requirements for such refunding bonds or notes in the
10 current or any future fiscal year shall not exceed the debt
11 service requirements for that year on the refunded bonds or
12 notes.

13 (3) In addition to the authority provided by paragraphs
14 (1) and (2), the Authority is authorized to issue, sell,
15 and deliver bonds or notes for Strategic Capital
16 Improvement Projects approved pursuant to Section 4.13 as
17 follows:

18 \$260,000,000 is authorized to be issued on or after
19 January 1, 2000;

20 an additional \$260,000,000 is authorized to be issued
21 on or after January 1, 2001;

22 an additional \$260,000,000 is authorized to be issued
23 on or after January 1, 2002;

24 an additional \$260,000,000 is authorized to be issued
25 on or after January 1, 2003;

26 an additional \$260,000,000 is authorized to be issued

1 on or after January 1, 2004; and

2 the aggregate total authorization of bonds and notes
3 for Strategic Capital Improvement Projects pursuant to
4 this paragraph (3) as of January 1, 2004 shall be
5 \$1,300,000,000.

6 The Authority is also authorized to issue, sell, and
7 deliver bonds or notes in such amounts as are necessary to
8 provide for the refunding or advance refunding of bonds or
9 notes issued for Strategic Capital Improvement projects
10 under this subdivision (g)(3), provided that no such
11 refunding bond or note shall mature later than the final
12 maturity date of the series of bonds or notes being
13 refunded, and provided further that the debt service
14 requirements for such refunding bonds or notes in the
15 current or any future fiscal year shall not exceed the debt
16 service requirements for that year on the refunded bonds or
17 notes.

18 (h) The Authority, subject to the terms of any agreements
19 with noteholders or bond holders as may then exist, shall have
20 power, out of any funds available therefor, to purchase notes
21 or bonds of the Authority, which shall thereupon be cancelled.

22 (i) In addition to any other authority granted by law, the
23 State Treasurer may, with the approval of the Governor, invest
24 or reinvest, at a price not to exceed par, any State money in
25 the State Treasury which is not needed for current expenditures
26 due or about to become due in Working Cash Notes.

1 (Source: P.A. 94-793, eff. 5-19-06.)

2 (70 ILCS 3615/4.09) (from Ch. 111 2/3, par. 704.09)

3 Sec. 4.09. Public Transportation Fund and the Regional
4 Transportation Authority Occupation and Use Tax Replacement
5 Fund.

6 (a) (1) ~~(a) As soon as possible after the first day of each~~
7 ~~month, beginning November 1, 1983, the Comptroller shall order~~
8 ~~transferred and the Treasurer shall transfer from the General~~
9 ~~Revenue Fund to a special fund in the State Treasury, to be~~
10 ~~known as the "Public Transportation Fund" \$9,375,000 for each~~
11 ~~month remaining in State fiscal year 1984.~~ As soon as possible
12 after the first day of each month, beginning July 1, 1984, upon
13 certification of the Department of Revenue, the Comptroller
14 shall order transferred and the Treasurer shall transfer from
15 the General Revenue Fund to a special fund in the State
16 Treasury to be known as the Public Transportation Fund an
17 amount equal to 25% of the net revenue, before the deduction of
18 the serviceman and retailer discounts pursuant to Section 9 of
19 the Service Occupation Tax Act and Section 3 of the Retailers'
20 Occupation Tax Act, realized from any tax imposed by the
21 Authority pursuant to Sections 4.03 and 4.03.1 and 25% of the
22 amounts deposited into the Regional Transportation Authority
23 tax fund created by Section 4.03 of this Act, from the County
24 and Mass Transit District Fund as provided in Section 6z-20 of
25 the State Finance Act and 25% of the amounts deposited into the

1 Regional Transportation Authority Occupation and Use Tax
2 Replacement Fund from the State and Local Sales Tax Reform Fund
3 as provided in Section 6z-17 of the State Finance Act. On the
4 first day of the month following the date that the Department
5 receives revenues from increased taxes under Section 4.03(m) as
6 authorized by this amendatory Act of the 95th General Assembly,
7 in lieu of the transfers authorized in the preceding sentence,
8 upon certification of the Department of Revenue, the
9 Comptroller shall order transferred and the Treasurer shall
10 transfer from the General Revenue Fund to the Public
11 Transportation Fund an amount equal to 25% of the net revenue,
12 before the deduction of the serviceman and retailer discounts
13 pursuant to Section 9 of the Service Occupation Tax Act and
14 Section 3 of the Retailers' Occupation Tax Act, realized from
15 (i) 80% of the proceeds of any tax imposed by the Authority at
16 a rate of 1.25% in Cook County, (ii) 75% of the proceeds of any
17 tax imposed by the Authority at the rate of 1% in Cook County,
18 and (iii) one-third of the proceeds of any tax imposed by the
19 Authority at the rate of 0.75% in the Counties of DuPage, Kane,
20 Lake, McHenry, and Will, all pursuant to Section 4.03, and 25%
21 of the net revenue realized from any tax imposed by the
22 Authority pursuant to Section 4.03.1, and 25% of the amounts
23 deposited into the Regional Transportation Authority tax fund
24 created by Section 4.03 of this Act from the County and Mass
25 Transit District Fund as provided in Section 6z-20 of the State
26 Finance Act, and 25% of the amounts deposited into the Regional

1 Transportation Authority Occupation and Use Tax Replacement
2 Fund from the State and Local Sales Tax Reform Fund as provided
3 in Section 6z-17 of the State Finance Act. As used in this
4 Section, net ~~Net~~ revenue realized for a month shall be the
5 revenue collected by the State pursuant to Sections 4.03 and
6 4.03.1 during the previous month from within the metropolitan
7 region, less the amount paid out during that same month as
8 refunds to taxpayers for overpayment of liability in the
9 metropolitan region under Sections 4.03 and 4.03.1.

10 (2) On the first day of the month following the effective
11 date of this amendatory Act of the 95th General Assembly and
12 each month thereafter, upon certification by the Department of
13 Revenue, the Comptroller shall order transferred and the
14 Treasurer shall transfer from the General Revenue Fund to the
15 Public Transportation Fund an amount equal to 5% of the net
16 revenue, before the deduction of the serviceman and retailer
17 discounts pursuant to Section 9 of the Service Occupation Tax
18 Act and Section 3 of the Retailers' Occupation Tax Act,
19 realized from any tax imposed by the Authority pursuant to
20 Sections 4.03 and 4.03.1 and certified by the Department of
21 Revenue under Section 4.03(n) of this Act to be paid to the
22 Authority and 5% of the revenue realized by the Chicago Transit
23 Authority as financial assistance from the City of Chicago from
24 the proceeds of any tax imposed by the City of Chicago under
25 Section 8-3-19 of the Illinois Municipal Code.

26 (3) As soon as possible after the first day of January,

1 2009 and each month thereafter, upon certification of the
2 Department of Revenue with respect to the taxes collected under
3 Section 4.03, the Comptroller shall order transferred and the
4 Treasurer shall transfer from the General Revenue Fund to the
5 Public Transportation Fund an amount equal to 25% of the net
6 revenue, before the deduction of the serviceman and retailer
7 discounts pursuant to Section 9 of the Service Occupation Tax
8 Act and Section 3 of the Retailers' Occupation Tax Act,
9 realized from (i) 20% of the proceeds of any tax imposed by the
10 Authority at a rate of 1.25% in Cook County, (ii) 25% of the
11 proceeds of any tax imposed by the Authority at the rate of 1%
12 in Cook County, and (iii) one-third of the proceeds of any tax
13 imposed by the Authority at the rate of 0.75% in the Counties
14 of DuPage, Kane, Lake, McHenry, and Will, all pursuant to
15 Section 4.03, and the Comptroller shall order transferred and
16 the Treasurer shall transfer from the General Revenue Fund to
17 the Public Transportation Fund (iv) an amount equal to 25% of
18 the revenue realized by the Chicago Transit Authority as
19 financial assistance from the City of Chicago from the proceeds
20 of any tax imposed by the City of Chicago under Section 8-3-19
21 of the Illinois Municipal Code.

22 (b) (1) All moneys deposited in the Public Transportation
23 Fund and the Regional Transportation Authority Occupation and
24 Use Tax Replacement Fund, whether deposited pursuant to this
25 Section or otherwise, are allocated to the Authority. The
26 Pursuant to appropriation, the Comptroller, as soon as possible

1 after each monthly transfer provided in this Section and after
2 each deposit into the Public Transportation Fund, shall order
3 the Treasurer to pay to the Authority out of the Public
4 Transportation Fund the amount so transferred or deposited. Any
5 Additional State Assistance and Additional Financial
6 Assistance paid to the Authority under this Section shall be
7 expended by the Authority for its purposes as provided in this
8 Act. The balance of the amounts paid to the Authority from the
9 Public Transportation Fund shall be expended by the Authority
10 as provided in Section 4.03.3. The ~~Such amounts paid to the~~
11 ~~Authority may be expended by it for its purposes as provided in~~
12 ~~this Act. Subject to appropriation to the Department of~~
13 ~~Revenue, the~~ Comptroller, as soon as possible after each
14 deposit into the Regional Transportation Authority Occupation
15 and Use Tax Replacement Fund provided in this Section and
16 Section 6z-17 of the State Finance Act, shall order the
17 Treasurer to pay to the Authority out of the Regional
18 Transportation Authority Occupation and Use Tax Replacement
19 Fund the amount so deposited. Such amounts paid to the
20 Authority may be expended by it for its purposes as provided in
21 this Act. The provisions directing the distributions from the
22 Public Transportation Fund and the Regional Transportation
23 Authority Occupation and Use Tax Replacement Fund provided for
24 in this Section shall constitute an irrevocable and continuing
25 appropriation of all amounts as provided herein. The State
26 Treasurer and State Comptroller are hereby authorized and

1 directed to make distributions as provided in this Section. (2)
2 Provided, however, no moneys deposited under subsection (a) of
3 this Section shall be paid from the Public Transportation Fund
4 to the Authority or its assignee for any fiscal year ~~beginning~~
5 ~~after the effective date of this amendatory Act of 1983~~ until
6 the Authority has certified to the Governor, the Comptroller,
7 and the Mayor of the City of Chicago that it has adopted for
8 that fiscal year an Annual Budget and Two-Year Financial Plan ~~a~~
9 ~~budget and financial plan~~ meeting the requirements in Section
10 4.01(b).

11 (c) In recognition of the efforts of the Authority to
12 enhance the mass transportation facilities under its control,
13 the State shall provide financial assistance ("Additional
14 State Assistance") in excess of the amounts transferred to the
15 Authority from the General Revenue Fund under subsection (a) of
16 this Section. Additional State Assistance shall be calculated
17 as provided in subsection (d), but shall in no event exceed the
18 following specified amounts with respect to the following State
19 fiscal years:

| | | |
|----|------|---------------|
| 20 | 1990 | \$5,000,000; |
| 21 | 1991 | \$5,000,000; |
| 22 | 1992 | \$10,000,000; |
| 23 | 1993 | \$10,000,000; |
| 24 | 1994 | \$20,000,000; |
| 25 | 1995 | \$30,000,000; |
| 26 | 1996 | \$40,000,000; |

1 1997 \$50,000,000;
2 1998 \$55,000,000; and
3 each year thereafter \$55,000,000.

4 (c-5) The State shall provide financial assistance
5 ("Additional Financial Assistance") in addition to the
6 Additional State Assistance provided by subsection (c) and the
7 amounts transferred to the Authority from the General Revenue
8 Fund under subsection (a) of this Section. Additional Financial
9 Assistance provided by this subsection shall be calculated as
10 provided in subsection (d), but shall in no event exceed the
11 following specified amounts with respect to the following State
12 fiscal years:

13 2000 \$0;
14 2001 \$16,000,000;
15 2002 \$35,000,000;
16 2003 \$54,000,000;
17 2004 \$73,000,000;
18 2005 \$93,000,000; and
19 each year thereafter \$100,000,000.

20 (d) Beginning with State fiscal year 1990 and continuing
21 for each State fiscal year thereafter, the Authority shall
22 annually certify to the State Comptroller and State Treasurer,
23 separately with respect to each of subdivisions (g)(2) and
24 (g)(3) of Section 4.04 of this Act, the following amounts:

25 (1) The amount necessary and required, during the State
26 fiscal year with respect to which the certification is

1 made, to pay its obligations for debt service on all
2 outstanding bonds or notes issued by the Authority under
3 subdivisions (g) (2) and (g) (3) of Section 4.04 of this Act.

4 (2) An estimate of the amount necessary and required to
5 pay its obligations for debt service for any bonds or notes
6 which the Authority anticipates it will issue under
7 subdivisions (g) (2) and (g) (3) of Section 4.04 during that
8 State fiscal year.

9 (3) Its debt service savings during the preceding State
10 fiscal year from refunding or advance refunding of bonds or
11 notes issued under subdivisions (g) (2) and (g) (3) of
12 Section 4.04.

13 (4) The amount of interest, if any, earned by the
14 Authority during the previous State fiscal year on the
15 proceeds of bonds or notes issued pursuant to subdivisions
16 (g) (2) and (g) (3) of Section 4.04, other than refunding or
17 advance refunding bonds or notes.

18 The certification shall include a specific schedule of debt
19 service payments, including the date and amount of each payment
20 for all outstanding bonds or notes and an estimated schedule of
21 anticipated debt service for all bonds and notes it intends to
22 issue, if any, during that State fiscal year, including the
23 estimated date and estimated amount of each payment.

24 Immediately upon the issuance of bonds for which an
25 estimated schedule of debt service payments was prepared, the
26 Authority shall file an amended certification with respect to

1 item (2) above, to specify the actual schedule of debt service
2 payments, including the date and amount of each payment, for
3 the remainder of the State fiscal year.

4 On the first day of each month of the State fiscal year in
5 which there are bonds outstanding with respect to which the
6 certification is made, the State Comptroller shall order
7 transferred and the State Treasurer shall transfer from the
8 General Revenue Fund to the Public Transportation Fund the
9 Additional State Assistance and Additional Financial
10 Assistance in an amount equal to the aggregate of (i)
11 one-twelfth of the sum of the amounts certified under items (1)
12 and (3) above less the amount certified under item (4) above,
13 plus (ii) the amount required to pay debt service on bonds and
14 notes issued during the fiscal year, if any, divided by the
15 number of months remaining in the fiscal year after the date of
16 issuance, or some smaller portion as may be necessary under
17 subsection (c) or (c-5) of this Section for the relevant State
18 fiscal year, plus (iii) any cumulative deficiencies in
19 transfers for prior months, until an amount equal to the sum of
20 the amounts certified under items (1) and (3) above, plus the
21 actual debt service certified under item (2) above, less the
22 amount certified under item (4) above, has been transferred;
23 except that these transfers are subject to the following
24 limits:

25 (A) In no event shall the total transfers in any State
26 fiscal year relating to outstanding bonds and notes issued

1 by the Authority under subdivision (g)(2) of Section 4.04
2 exceed the lesser of the annual maximum amount specified in
3 subsection (c) or the sum of the amounts certified under
4 items (1) and (3) above, plus the actual debt service
5 certified under item (2) above, less the amount certified
6 under item (4) above, with respect to those bonds and
7 notes.

8 (B) In no event shall the total transfers in any State
9 fiscal year relating to outstanding bonds and notes issued
10 by the Authority under subdivision (g)(3) of Section 4.04
11 exceed the lesser of the annual maximum amount specified in
12 subsection (c-5) or the sum of the amounts certified under
13 items (1) and (3) above, plus the actual debt service
14 certified under item (2) above, less the amount certified
15 under item (4) above, with respect to those bonds and
16 notes.

17 The term "outstanding" does not include bonds or notes for
18 which refunding or advance refunding bonds or notes have been
19 issued.

20 (e) Neither Additional State Assistance nor Additional
21 Financial Assistance may be pledged, either directly or
22 indirectly as general revenues of the Authority, as security
23 for any bonds issued by the Authority. The Authority may not
24 assign its right to receive Additional State Assistance or
25 Additional Financial Assistance, or direct payment of
26 Additional State Assistance or Additional Financial

1 Assistance, to a trustee or any other entity for the payment of
2 debt service on its bonds.

3 (f) The certification required under subsection (d) with
4 respect to outstanding bonds and notes of the Authority shall
5 be filed as early as practicable before the beginning of the
6 State fiscal year to which it relates. The certification shall
7 be revised as may be necessary to accurately state the debt
8 service requirements of the Authority.

9 (g) Within 6 months of the end of ~~the 3 month period ending~~
10 ~~December 31, 1983,~~ and each fiscal year thereafter, the
11 Authority shall determine:

12 (i) whether the aggregate of all system generated
13 revenues for public transportation in the metropolitan
14 region which is provided by, or under grant or purchase of
15 service contracts with, the Service Boards equals 50% of
16 the aggregate of all costs of providing such public
17 transportation. "System generated revenues" include all
18 the proceeds of fares and charges for services provided,
19 contributions received in connection with public
20 transportation from units of local government other than
21 the Authority, except for contributions received by the
22 Chicago Transit Authority from a real estate transfer tax
23 imposed under subsection (i) of Section 8-3-19 of the
24 Illinois Municipal Code, and from the State pursuant to
25 subsection (i) of Section 2705-305 of the Department of
26 Transportation Law (20 ILCS 2705/2705-305), and all other

1 revenues properly included consistent with generally
2 accepted accounting principles but may not include: the
3 proceeds from any borrowing, and, beginning with the 2007
4 fiscal year, all revenues and receipts, including but not
5 limited to fares and grants received from the federal,
6 State or any unit of local government or other entity,
7 derived from providing ADA paratransit service pursuant to
8 Section 2.30 of the Regional Transportation Authority Act.
9 "Costs" include all items properly included as operating
10 costs consistent with generally accepted accounting
11 principles, including administrative costs, but do not
12 include: depreciation; payment of principal and interest
13 on bonds, notes or other evidences of obligations for
14 borrowed money of the Authority; payments with respect to
15 public transportation facilities made pursuant to
16 subsection (b) of Section 2.20; any payments with respect
17 to rate protection contracts, credit enhancements or
18 liquidity agreements made under Section 4.14; any other
19 cost as to which it is reasonably expected that a cash
20 expenditure will not be made; costs ~~up to \$5,000,000~~
21 ~~annually~~ for passenger security including grants,
22 contracts, personnel, equipment and administrative
23 expenses, except in the case of the Chicago Transit
24 Authority, in which case the term does not include costs
25 spent annually by that entity for protection against crime
26 as required by Section 27a of the Metropolitan Transit

1 Authority Act; the costs of Debt Service paid by the
2 Chicago Transit Authority, as defined in Section 12c of the
3 Metropolitan Transit Authority Act, or bonds or notes
4 issued pursuant to that Section; the payment by the
5 Commuter Rail Division of debt service on bonds issued
6 pursuant to Section 3B.09; expenses incurred by the
7 Suburban Bus Division for the cost of new public
8 transportation services funded from grants pursuant to
9 Section 2.01e of this amendatory Act of the 95th General
10 Assembly for a period of 2 years from the date of
11 initiation of each such service; costs as exempted by the
12 Board for projects pursuant to Section 2.09 of this Act;
13 or, beginning with the 2007 fiscal year, expenses related
14 to providing ADA paratransit service pursuant to Section
15 2.30 of the Regional Transportation Authority Act; or in
16 fiscal years 2008 through 2012 inclusive, costs in the
17 amount of \$200,000,000 in fiscal year 2008, reducing by
18 \$40,000,000 in each fiscal year thereafter until this
19 exemption is eliminated. If said system generated revenues
20 are less than 50% of said costs, the Board shall remit an
21 amount equal to the amount of the deficit to the State. The
22 Treasurer shall deposit any such payment in the General
23 Revenue Fund; and

24 (ii) whether, beginning with the 2007 fiscal year, the
25 aggregate of all fares charged and received for ADA
26 paratransit services equals the system generated ADA

1 paratransit services revenue recovery ratio percentage of
2 the aggregate of all costs of providing such ADA
3 paratransit services.

4 (h) If the Authority makes any payment to the State under
5 paragraph (g), the Authority shall reduce the amount provided
6 to a Service Board from funds transferred under paragraph (a)
7 in proportion to the amount by which that Service Board failed
8 to meet its required system generated revenues recovery ratio.
9 A Service Board which is affected by a reduction in funds under
10 this paragraph shall submit to the Authority concurrently with
11 its next due quarterly report a revised budget incorporating
12 the reduction in funds. The revised budget must meet the
13 criteria specified in clauses (i) through (vi) of Section
14 4.11(b)(2). The Board shall review and act on the revised
15 budget as provided in Section 4.11(b)(3).

16 (Source: P.A. 94-370, eff. 7-29-05.)

17 (70 ILCS 3615/4.11) (from Ch. 111 2/3, par. 704.11)

18 Sec. 4.11. Budget Review Powers.

19 (a) ~~The provisions of this Section shall only be applicable~~
20 ~~to financial periods beginning after December 31, 1983. The~~
21 ~~Transition Board shall adopt a timetable governing the~~
22 ~~certification of estimates and any submissions required under~~
23 ~~this Section for fiscal year 1984 which shall control over the~~
24 ~~provisions of this Act.~~ Based upon estimates which shall be
25 given to the Authority by the Director of the Governor's Office

1 of Management and Budget (formerly Bureau of the Budget) of the
2 receipts to be received by the Authority from the taxes imposed
3 by the Authority and the authorized estimates of amounts to be
4 available from State and other sources to the Service Boards,
5 and the times at which such receipts and amounts will be
6 available, the Board shall, not later than the next preceding
7 September 15th prior to the beginning of the Authority's next
8 fiscal year, advise each Service Board of the amounts estimated
9 by the Board to be available for such Service Board during such
10 fiscal year and the two following fiscal years and the times at
11 which such amounts will be available. The Board shall, at the
12 same time, also advise each Service Board of its required
13 system generated revenues recovery ratio for the next fiscal
14 year which shall be the percentage of the aggregate costs of
15 providing public transportation by or under jurisdiction of
16 that Service Board which must be recovered from system
17 generated revenues. The Board shall, at the same time,
18 beginning with the 2007 fiscal year, also advise each Service
19 Board that provides ADA paratransit services of its required
20 system generated ADA paratransit services revenue recovery
21 ratio for the next fiscal year which shall be the percentage of
22 the aggregate costs of providing ADA paratransit services by or
23 under jurisdiction of that Service Board which must be
24 recovered from fares charged for such services, except that
25 such required system generated ADA paratransit services
26 revenue recovery ratio shall not exceed the minimum percentage

1 established pursuant to Section 4.01(b)(ii) of this Act. In
2 determining a Service Board's system generated revenue
3 recovery ratio, the Board shall consider the historical system
4 generated revenues recovery ratio for the services subject to
5 the jurisdiction of that Service Board. The Board shall not
6 increase a Service Board's system generated revenues recovery
7 ratio for the next fiscal year over such ratio for the current
8 fiscal year disproportionately or prejudicially to increases
9 in such ratios for other Service Boards. The Board may, by
10 ordinance, provide that (i) the cost of research and
11 development projects in the fiscal year beginning January 1,
12 1986 and ending December 31, 1986 conducted pursuant to Section
13 2.09 of this Act, ~~and (ii) up to \$5,000,000 annually of the~~
14 ~~costs for passenger security, and (iii) expenditures of amounts~~
15 granted to a Service Board from the Innovation, Coordination,
16 and Enhancement Fund for operating purposes may be exempted
17 from the farebox recovery ratio or the system generated
18 revenues recovery ratio of the Chicago Transit Authority, the
19 Suburban Bus Board, and the Commuter Rail Board, or any of
20 them. During fiscal years 2008 through 2012, the Board may also
21 allocate the exemption of \$200,000,000 and the reducing amounts
22 of costs provided by this amendatory Act of the 95th General
23 Assembly from the farebox recovery ratio or system generated
24 revenues recovery ratio of each Service Board. ~~For the fiscal~~
25 ~~year beginning January 1, 1986 and ending December 31, 1986,~~
26 ~~and for the fiscal year beginning January 1, 1987 and ending~~

1 ~~December 31, 1987, the Board shall, by ordinance, provide that:~~
2 ~~(1) the amount of a grant, pursuant to Section 2705-310 of the~~
3 ~~Department of Transportation Law (20 ILCS 2705/2705-310), from~~
4 ~~the Department of Transportation for the cost of services for~~
5 ~~the mobility limited provided by the Chicago Transit Authority,~~
6 ~~and (2) the amount of a grant, pursuant to Section 2705-310 of~~
7 ~~the Department of Transportation Law (20 ILCS 2705/2705-310),~~
8 ~~from the Department of Transportation for the cost of services~~
9 ~~for the mobility limited by the Suburban Bus Board or the~~
10 ~~Commuter Rail Board, be exempt from the farebox recovery ratio~~
11 ~~or the system generated revenues recovery ratio.~~

12 (b) (1) Not later than the next preceding November 15 prior
13 to the commencement of such fiscal year, each Service Board
14 shall submit to the Authority its proposed budget for such
15 fiscal year and its proposed financial plan for the two
16 following fiscal years. Such budget and financial plan shall
17 (i) be prepared in the format, follow the financial and
18 budgetary practices, and be based on any assumptions and
19 projections required by the Authority and (ii) not project or
20 assume a receipt of revenues from the Authority in amounts
21 greater than those set forth in the estimates provided by the
22 Authority pursuant to subsection (a) of this Section.

23 (2) The Board shall review the proposed budget and two-year
24 financial plan submitted by each Service Board, and shall adopt
25 a consolidated budget and financial plan. The Board shall
26 approve the budget and two-year financial plan of a Service

1 Board if:

2 ~~(i) the Board has approved the proposed budget and cash~~
3 ~~flow plan for such fiscal year of each Service Board,~~
4 ~~pursuant to the conditions set forth in clauses (ii)~~
5 ~~through (vii) of this paragraph;~~

6 (i) ~~(ii)~~ such budget and plan show a balance between
7 (A) anticipated revenues from all sources including
8 operating subsidies and (B) the costs of providing the
9 services specified and of funding any operating deficits or
10 encumbrances incurred in prior periods, including
11 provision for payment when due of principal and interest on
12 outstanding indebtedness;

13 (ii) ~~(iii)~~ such budget and plan show cash balances
14 including the proceeds of any anticipated cash flow
15 borrowing sufficient to pay with reasonable promptness all
16 costs and expenses as incurred;

17 (iii) ~~(iv)~~ such budget and plan provide for a level of
18 fares or charges and operating or administrative costs for
19 the public transportation provided by or subject to the
20 jurisdiction of such Service Board sufficient to allow the
21 Service Board to meet its required system generated revenue
22 recovery ratio and, beginning with the 2007 fiscal year,
23 system generated ADA paratransit services revenue recovery
24 ratio;

25 (iv) ~~(v)~~ such budget and plan are based upon and employ
26 assumptions and projections which are reasonable and

1 prudent;

2 (v) ~~(vi)~~ such budget and plan have been prepared in
3 accordance with sound financial practices as determined by
4 the Board; ~~and~~

5 (vi) ~~(vii)~~ such budget and plan meet such other
6 financial, budgetary, or fiscal requirements that the
7 Board may by rule or regulation establish; and ~~—~~

8 (vii) such budget and plan are consistent with the
9 goals and objectives adopted by the Authority in the
10 Strategic Plan.

11 (3) (Blank) ~~In determining whether the budget and financial~~
12 ~~plan provide a level of fares or charges sufficient to allow a~~
13 ~~Service Board to meet its required system generated revenue~~
14 ~~recovery ratio and, beginning with the 2007 fiscal year, system~~
15 ~~generated ADA paratransit services revenue recovery ratio~~
16 ~~under clause (iv) in subparagraph (2), the Board shall allow a~~
17 ~~Service Board to carry over cash from farebox revenues to~~
18 ~~subsequent fiscal years.~~

19 (4) Unless the Board by an affirmative vote of 12 ~~9~~ of the
20 then Directors determines that the budget and financial plan of
21 a Service Board meets the criteria specified in clauses (i)
22 ~~(ii)~~ through (vii) of subparagraph (2) of this paragraph (b),
23 the Board shall withhold from ~~not release to~~ that Service Board
24 25% of any funds for the periods covered by such budget and
25 ~~financial plan except for the~~ cash proceeds of taxes imposed by
26 the Authority under Section 4.03 and Section 4.03.1 and

1 received after February 1 and 25% of the amounts transferred to
2 the Authority from the Public Transportation Fund under Section
3 4.09(a) (but not including Section 4.09(a)(3)(iv)) after
4 February 1 that the Board has estimated to be available to that
5 Service Board under Section 4.11(a). Such funding shall be
6 released to the Service Board only upon approval of a budget
7 and financial plan under this Section or adoption of a budget
8 and financial plan on behalf of the Service Board by the
9 Authority ~~which are allocated to the Service Board under~~
10 ~~Section 4.01.~~

11 (5) If the Board has not found that the budget and
12 financial plan of a Service Board meets the criteria specified
13 in clauses (i) through (vii) of subparagraph (2) of this
14 paragraph (b), the Board, by the affirmative vote of at least
15 12 of its then Directors, shall ~~shall, five working days after~~
16 ~~the start of the Service Board's fiscal year~~ adopt a budget and
17 financial plan meeting such criteria for that Service Board.

18 (c)(1) If the Board shall at any time have received a
19 revised estimate, or revises any estimate the Board has made,
20 pursuant to this Section of the receipts to be collected by the
21 Authority which, in the judgment of the Board, requires a
22 change in the estimates on which the budget of any Service
23 Board is based, the Board shall advise the affected Service
24 Board of such revised estimates, and such Service Board shall
25 within 30 days after receipt of such advice submit a revised
26 budget incorporating such revised estimates. If the revised

1 estimates require, in the judgment of the Board, that the
2 system generated revenues recovery ratio of one or more Service
3 Boards be revised in order to allow the Authority to meet its
4 required ratio, the Board shall advise any such Service Board
5 of its revised ratio and such Service Board shall within 30
6 days after receipt of such advice submit a revised budget
7 incorporating such revised estimates or ratio.

8 (2) Each Service Board shall, within such period after the
9 end of each fiscal quarter as shall be specified by the Board,
10 report to the Authority its financial condition and results of
11 operations and the financial condition and results of
12 operations of the public transportation services subject to its
13 jurisdiction, as at the end of and for such quarter. If in the
14 judgment of the Board such condition and results are not
15 substantially in accordance with such Service Board's budget
16 for such period, the Board shall so advise such Service Board
17 and such Service Board shall within the period specified by the
18 Board submit a revised budget incorporating such results.

19 (3) If the Board shall determine that a revised budget
20 submitted by a Service Board pursuant to subparagraph (1) or
21 (2) of this paragraph (c) does not meet the criteria specified
22 in clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of
23 paragraph (b) of this Section, the Board shall withhold from
24 ~~not release any monies to~~ that Service Board 25% of ~~except~~ the
25 cash proceeds of taxes imposed by the Authority under Section
26 4.03 or 4.03.1 and received by the Authority after February 1

1 and 25% of the amounts transferred to the Authority from the
2 Public Transportation Fund under Section 4.09(a) (but not
3 including Section 4.09(a)(3)(iv)) after February 1 that the
4 Board has estimated to be available ~~which are allocated to that~~
5 ~~the~~ Service Board under Section 4.11(a) ~~4.01~~. If the Service
6 Board submits a revised financial plan and budget which plan
7 and budget shows that the criteria will be met within a four
8 quarter period, the Board shall ~~continue to release~~ any such
9 withheld funds to the Service Board. The Board by the
10 affirmative vote of at least 12 ~~a 9 vote~~ of its then Directors
11 may require a Service Board to submit a revised financial plan
12 and budget which shows that the criteria will be met in a time
13 period less than four quarters.

14 (d) All budgets and financial plans, financial statements,
15 audits and other information presented to the Authority
16 pursuant to this Section or which may be required by the Board
17 to permit it to monitor compliance with the provisions of this
18 Section shall be prepared and presented in such manner and
19 frequency and in such detail as shall have been prescribed by
20 the Board, shall be prepared on both an accrual and cash flow
21 basis as specified by the Board, shall present such information
22 as the Authority shall prescribe that fairly presents the
23 condition of any pension plan or trust for health care benefits
24 with respect to retirees established by the Service Board and
25 describes the plans of the Service Board to meet the
26 requirements of Sections 4.02a and 4.02b, and shall identify

1 and describe the assumptions and projections employed in the
2 preparation thereof to the extent required by the Board. If the
3 Executive Director certifies that a Service Board has not
4 presented its budget and two-year financial plan in conformity
5 with the rules adopted by the Authority under the provisions of
6 Section 4.01(f) and this subsection (d), and such certification
7 is accepted by the affirmative vote of at least 12 of the then
8 Directors of the Authority, the Authority shall not distribute
9 to that Service Board any funds for operating purposes in
10 excess of the amounts distributed for such purposes to the
11 Service Board in the previous fiscal year. Except when the
12 Board adopts a budget and a financial plan for a Service Board
13 under paragraph (b) (5), a Service Board shall provide for such
14 levels of transportation services and fares or charges therefor
15 as it deems appropriate and necessary in the preparation of a
16 budget and financial plan meeting the criteria set forth in
17 clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of paragraph
18 (b) of this Section. The Authority Board shall have access to
19 and the right to examine and copy all books, documents, papers,
20 records, or other source data of a Service Board relevant to
21 any information submitted pursuant to this Section.

22 (e) Whenever this Section requires the Board to make
23 determinations with respect to estimates, budgets or financial
24 plans, or rules or regulations with respect thereto such
25 determinations shall be made upon the affirmative vote of at
26 least 12 ~~9~~ of the then Directors and shall be incorporated in a

1 written report of the Board and such report shall be submitted
2 within 10 days after such determinations are made to the
3 Governor, the Mayor of Chicago (if such determinations relate
4 to the Chicago Transit Authority), and the Auditor General of
5 Illinois.

6 (Source: P.A. 94-370, eff. 7-29-05.)

7 (70 ILCS 3615/4.13) (from Ch. 111 2/3, par. 704.13)

8 Sec. 4.13. Annual Capital Improvement Plan.

9 (a) With respect to each calendar year, the Authority shall
10 prepare as part of its Five Year Program an Annual Capital
11 Improvement Plan (the "Plan") which shall describe its intended
12 development and implementation of the Strategic Capital
13 Improvement Program. The Plan shall include the following
14 information:

15 (i) a list of projects for which approval is sought
16 from the Governor, with a description of each project
17 stating at a minimum the project cost, its category, its
18 location and the entity responsible for its
19 implementation;

20 (ii) a certification by the Authority that the
21 Authority and the Service Boards have applied for all
22 grants, loans and other moneys made available by the
23 federal government or the State of Illinois during the
24 preceding federal and State fiscal years for financing its
25 capital development activities;

1 (iii) a certification that, as of September 30 of the
2 preceding calendar year or any later date, the balance of
3 all federal capital grant funds and all other funds to be
4 used as matching funds therefor which were committed to or
5 possessed by the Authority or a Service Board but which had
6 not been obligated was less than \$350,000,000, or a greater
7 amount as authorized in writing by the Governor (for
8 purposes of this subsection (a), "obligated" means
9 committed to be paid by the Authority or a Service Board
10 under a contract with a nongovernmental entity in
11 connection with the performance of a project or committed
12 under a force account plan approved by the federal
13 government);

14 (iv) a certification that the Authority has adopted a
15 balanced budget with respect to such calendar year under
16 Section 4.01 of this Act;

17 (v) a schedule of all bonds or notes previously issued
18 for Strategic Capital Improvement Projects and all debt
19 service payments to be made with respect to all such bonds
20 and the estimated additional debt service payments through
21 June 30 of the following calendar year expected to result
22 from bonds to be sold prior thereto;

23 (vi) a long-range summary of the Strategic Capital
24 Improvement Program describing the projects to be funded
25 through the Program with respect to project cost, category,
26 location, and implementing entity, and presenting a

1 financial plan including an estimated time schedule for
2 obligating funds for the performance of approved projects,
3 issuing bonds, expending bond proceeds and paying debt
4 service throughout the duration of the Program; and

5 (vii) the source of funding for each project in the
6 Plan. For any project for which full funding has not yet
7 been secured and which is not subject to a federal full
8 funding contract, the Authority must identify alternative,
9 dedicated funding sources available to complete the
10 project. The Governor may waive this requirement on a
11 project by project basis.

12 (b) The Authority shall submit the Plan with respect to any
13 calendar year to the Governor on or before January 15 of that
14 year, or as soon as possible thereafter; provided, however,
15 that the Plan shall be adopted on the affirmative votes of 12 ~~9~~
16 of the then Directors. The Plan may be revised or amended at
17 any time, but any revision in the projects approved shall
18 require the Governor's approval.

19 (c) The Authority shall seek approval from the Governor
20 only through the Plan or an amendment thereto. The Authority
21 shall not request approval of the Plan from the Governor in any
22 calendar year in which it is unable to make the certifications
23 required under items (ii), (iii) and (iv) of subsection (a). In
24 no event shall the Authority seek approval of the Plan from the
25 Governor for projects in an aggregate amount exceeding the
26 proceeds of bonds or notes for Strategic Capital Improvement

1 Projects issued under Section 4.04 of this Act.

2 (d) The Governor may approve the Plan for which approval is
3 requested. The Governor's approval is limited to the amount of
4 the project cost stated in the Plan. The Governor shall not
5 approve the Plan in a calendar year if the Authority is unable
6 to make the certifications required under items (ii), (iii) and
7 (iv) of subsection (a). In no event shall the Governor approve
8 the Plan for projects in an aggregate amount exceeding the
9 proceeds of bonds or notes for Strategic Capital Improvement
10 Projects issued under Section 4.04 of this Act.

11 (e) With respect to capital improvements, only those
12 capital improvements which are in a Plan approved by the
13 Governor shall be financed with the proceeds of bonds or notes
14 issued for Strategic Capital Improvement Projects.

15 (f) Before the Authority or a Service Board obligates any
16 funds for a project for which the Authority or Service Board
17 intends to use the proceeds of bonds or notes for Strategic
18 Capital Improvement Projects, but which project is not included
19 in an approved Plan, the Authority must notify the Governor of
20 the intended obligation. No project costs incurred prior to
21 approval of the Plan including that project may be paid from
22 the proceeds of bonds or notes for Strategic Capital
23 Improvement Projects issued under Section 4.04 of this Act.

24 (Source: P.A. 94-839, eff. 6-6-06.)

25 (70 ILCS 3615/4.14) (from Ch. 111 2/3, par. 704.14)

1 Sec. 4.14. Rate Protection Contract. "Rate Protection
2 Contract" means interest rate price exchange agreements;
3 currency exchange agreements; forward payment conversion
4 agreements; contracts providing for payment or receipt of funds
5 based on levels of, or changes in, interest rates, currency
6 exchange rates, stock or other indices; contracts to exchange
7 cash flows or a series of payments; contracts, including
8 without limitation, interest rate caps; interest rate floor;
9 interest rate locks; interest rate collars; rate of return
10 guarantees or assurances, to manage payment, currency, rate,
11 spread or similar exposure; the obligation, right, or option to
12 issue, put, lend, sell, grant a security interest in, buy,
13 borrow or otherwise acquire, a bond, note or other security or
14 interest therein as an investment, as collateral, as a hedge,
15 or otherwise as a source or assurance of payment to or by the
16 Authority or as a reduction of the Authority's or an obligor's
17 risk exposure; repurchase agreements; securities lending
18 agreements; and other agreements or arrangements similar to the
19 foregoing.

20 Notwithstanding any provision in Section 2.20 (a) (ii) of
21 this Act to the contrary, in connection with or incidental to
22 the issuance by the Authority of its bonds or notes under the
23 provisions of Section 4.04 or the exercise of its powers under
24 subsection (b) of Section 2.20, the Authority, for its own
25 benefit or for the benefit of the holders of its obligations or
26 their trustee, may enter into rate protection contracts. The

1 Authority may enter into rate protection contracts only
2 pursuant to a determination by a vote of 12 ~~9~~ of the then
3 Directors that the terms of the contracts and any related
4 agreements reduce the risk of loss to the Authority, or
5 protect, preserve or enhance the value of its assets, or
6 provide compensation to the Authority for losses resulting from
7 changes in interest rates. The Authority's obligations under
8 any rate protection contract or credit enhancement or liquidity
9 agreement shall not be considered bonds or notes for purposes
10 of this Act. For purposes of this Section a rate protection
11 contract is a contract determined by the Authority as necessary
12 or appropriate to permit it to manage payment, currency or
13 interest rate risks or levels.

14 (Source: P.A. 87-764.)

15 (70 ILCS 3615/5.01) (from Ch. 111 2/3, par. 705.01)

16 Sec. 5.01. Hearings and Citizen Participation.

17 (a) The Authority shall provide for and encourage
18 participation by the public in the development and review of
19 public transportation policy, and in the process by which major
20 decisions significantly affecting the provision of public
21 transportation are made. The Authority shall coordinate such
22 public participation processes with the Chicago Metropolitan
23 Agency for Planning to the extent practicable.

24 (b) The Authority shall hold such public hearings as may be
25 required by this Act or as the Authority may deem appropriate

1 to the performance of any of its functions. The Authority shall
2 coordinate such public hearings with the Chicago Metropolitan
3 Agency for Planning to the extent practicable.

4 (c) Unless such items are specifically provided for either
5 in the Five-Year Capital Program or in the annual budget
6 program which has been the subject of public hearings as
7 provided in Sections 2.01 or 4.01 of this Act, the Board shall
8 hold public hearings at which citizens may be heard prior to:

9 (i) the construction or acquisition of any public
10 transportation facility, the aggregate cost of which exceeds \$5
11 million; and

12 (ii) the extension of, or major addition to services
13 provided by the Authority or by any transportation agency
14 pursuant to a purchase of service agreement with the Authority.

15 (d) Unless such items are specifically provided for in the
16 annual budget and program which has been the subject of public
17 hearing, as provided in Section 4.01 of this Act, the Board
18 shall hold public hearings at which citizens may be heard prior
19 to the providing for or allowing, by means of any purchase of
20 service agreement or any grant pursuant to Section 2.02 of this
21 Act, any general increase or series of increases in fares or
22 charges for public transportation, whether by the Authority or
23 by any transportation agency, which increase or series of
24 increases within any twelve months affects more than 25% of the
25 consumers of service of the Authority or of the transportation
26 agency; or so providing for or allowing any discontinuance of

1 any public transportation route, or major portion thereof,
2 which has been in service for more than a year.

3 (e) At least twenty days prior notice of any public
4 hearing, as required in this Section, shall be given by public
5 advertisement in a newspaper of general circulation in the
6 metropolitan region.

7 (f) The Authority may designate one or more Directors or
8 may appoint one or more hearing officers to preside over any
9 hearing pursuant to this Act. The Authority shall have the
10 power in connection with any such hearing to issue subpoenas to
11 require the attendance of witnesses and the production of
12 documents, and the Authority may apply to any circuit court in
13 the State to require compliance with such subpoenas.

14 (g) The Authority may require any Service Board to hold one
15 or more public hearings with respect to any item described in
16 paragraphs (c) and (d) of this Section 5.01, notwithstanding
17 whether such item has been the subject of a public hearing
18 under this Section 5.01 or Section 2.01 or 4.01 of this Act.

19 (Source: P.A. 78-3rd S.S.-5.)

20 (70 ILCS 3615/2.12a rep.)

21 (70 ILCS 3615/3.09 rep.)

22 (70 ILCS 3615/3.10 rep.)

23 Section 25. The Regional Transportation Authority Act is
24 amended by repealing Sections 2.12a, 3.09, and 3.10.

1 Section 97. Severability. The provisions of this Act are
2 severable under Section 1.31 of the Statute on Statutes.

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.