



Rep. Julie Hamos

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1 AMENDMENT TO SENATE BILL 307

2 AMENDMENT NO. _____. Amend Senate Bill 307 by replacing
3 everything after the enacting clause with the following:

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

1 notes;

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

6 (C) no bond or note shall mature later than
7 December 31, 2039; and

8 (D) after payment of costs of issuance and
9 necessary deposits to funds and accounts established
10 with respect to debt service on the bonds or notes, the
11 net bond and note proceeds (exclusive of any proceeds
12 to be used to refund outstanding bonds or notes) will
13 be deposited in the Retirement Plan for Chicago Transit
14 Authority Employees and used only for the purposes
15 required by Section 22-101 of the Illinois Pension
16 Code.

17 (2) The Board of Trustees of the Retirement Plan for
18 Chicago Transit Authority Employees shall submit a
19 certification that the Retirement Plan for Chicago Transit
20 Authority Employees is operating in accordance with all
21 applicable legal and contractual requirements, including
22 the following:

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

26 (B) contribution levels for employees and the

1 Authority have been established according to the
2 requirements of Section 22-101(d) of the Illinois
3 Pension Code.

4 (3) Actuarial Report. The Board of Trustees of the
5 Retirement Plan for Chicago Transit Authority Employees
6 shall submit an actuarial report prepared by an enrolled
7 actuary setting forth:

8 (A) the method of valuation and the underlying
9 assumptions;

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

18 (C) the amount of the estimated net present value
19 savings comparing the true interest cost of the
20 bonds or notes with the actuarial investment
21 return assumption of the Retirement Plan; and

22 (D) a certification that the net proceeds of the
23 bonds or notes, together with anticipated earnings
24 on contributions and deposits, will be sufficient
25 to reasonably conclude on an actuarial basis that
26 the total retirement assets of the Retirement Plan

1 will not be less than 90% of its liabilities by the
2 end of fiscal year 2058.

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

14 (5) Retiree Health Care Trust Documentation. The
15 Authority shall 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 meets 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, 2039; and

24 (D) after payment of costs of issuance and
25 necessary deposits to funds and accounts established
26 with respect to debt service on the bonds or notes, the

1 net bond and note proceeds (exclusive of any proceeds
2 to be used to refund outstanding bonds or notes) will
3 be deposited in the Retiree Health Care Trust and used
4 only for the purposes required by Section 22-101B of
5 the Illinois Pension Code.

6 (6) The Board of Trustees of the Retiree Health Care
7 Trust shall submit a certification that the Retiree Health
8 Care Trust has been established in accordance with all
9 applicable legal requirements, including the following:

10 (A) the Retiree Health Care Trust has been
11 established and a Trust document is in effect to govern
12 the Retiree Health Care Trust;

13 (B) the members of the Board of Trustees of the
14 Retiree Health Care Trust have been appointed
15 according to the requirements of Section 22-101B(b) (1)
16 of the Illinois Pension Code;

17 (C) a health care benefit program for eligible
18 retirees and their dependents and survivors has been
19 established by the Board of Trustees according to the
20 requirements of Section 22-101B(b) (2) of the Illinois
21 Pension Code;

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

26 (E) contribution levels have been established for

1 employees of the Authority according to the
2 requirements of Section 22-101B(b) (6) of the Illinois
3 Pension Code.

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

7 (A) the method of valuation and the underlying
8 assumptions;

9 (B) a comparison of the projected interest cost of
10 the bonds or notes proposed to be issued with the
11 actuarial investment return assumption of the Retiree
12 Health Care Trust; and

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

23 (8) The Authority shall submit a financial analysis
24 prepared by an independent advisor. The financial analysis
25 must include a determination that the issuance of bonds is
26 in the best interest of the Retiree Health Care Trust and

1 the Chicago Transit Authority. The independent advisor
2 shall not act as underwriter or receive a legal,
3 consulting, or other fee related to the issuance of any
4 bond or notes issued by the Authority pursuant to Section
5 12c of the Metropolitan Transit Authority Act except
6 compensation due for the preparation of the financial
7 analysis.

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

1 until it receives the report from the Auditor General
2 indicating the above requirements have been met.

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

25 (d) In fulfilling this duty, after receiving the
26 information submitted pursuant to Section 3-2.3(a), the

1 Auditor General may request additional information and support
2 pertaining to the data and conclusions contained in the
3 submitted documents and the Authority, the Board of Trustees of
4 the Retirement Plan and the Board of Trustees of the Retiree
5 Health Care Trust shall cooperate with the Auditor General and
6 provide additional information as requested in a timely manner.
7 The Auditor General may also request from the Regional
8 Transportation Authority an analysis of the information
9 submitted by the Authority relating to the sources of funds to
10 be utilized for payment of the proposed bonds or notes of the
11 Authority. The Auditor General's report shall not be in the
12 nature of a post-audit or examination and shall not lead to the
13 issuance of an opinion as that term is defined in generally
14 accepted government auditing standards.

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

20 (1) the most recent audit or examination of the
21 Retirement Plan;

22 (2) an annual statement containing the information
23 specified in Section 1A-109 of the Illinois Pension Code;
24 and

25 (3) a complete actuarial statement applicable to the
26 prior plan year, which may be the annual report of an

1 enrolled actuary retained by the Retirement Plan specified
2 in Section 22-101(e) of the Illinois Pension Code.

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

8 (f) The Auditor General shall annually examine the
9 information submitted pursuant to Section 22-101B(b)(3)(iii)
10 of the Illinois Pension Code and shall prepare the
11 determination specified in Section 22-101B(b)(3)(iv) of the
12 Illinois Pension Code.

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

1 cooperate with and assist the Auditor General in the conduct of
2 his review.

3 (h) The Auditor General shall submit a bill to the
4 Authority for costs associated with the examinations and
5 reports specified in subsections (b) and (c) of this Section
6 3-2.3, which the Authority shall reimburse in a timely manner.
7 The costs associated with the examinations and reports which
8 are reimbursed by the Authority shall constitute a cost of
9 issuance of the bonds or notes under Section 12c(b) (1) and (2)
10 of the Metropolitan Transit Authority Act. The amount received
11 shall be deposited into the fund or funds from which such costs
12 were paid by the Auditor General. The Auditor General shall
13 submit a bill to the Retirement Plan for Chicago Transit
14 Authority Employees for costs associated with the examinations
15 and reports specified in subsection (e) of this Section, which
16 the Retirement Plan for Chicago Transit Authority Employees
17 shall reimburse in a timely manner. The amount received shall
18 be deposited into the fund or funds from which such costs were
19 paid by the Auditor General. The Auditor General shall submit a
20 bill to the Retiree Health Care Trust for costs associated with
21 the determination specified in subsection (f) of this Section,
22 which the Retiree Health Care Trust shall reimburse in a timely
23 manner. The amount received shall be deposited into the fund or
24 funds from which such costs were paid by the Auditor General.

25 Section 6. The State Finance Act is amended by adding

1 Section 5.676 as follows:

2 (30 ILCS 105/5.676 new)

3 Sec. 5.676. The Downstate Transit Improvement Fund.

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

7 (30 ILCS 740/2-2.04) (from Ch. 111 2/3, par. 662.04)

8 Sec. 2-2.04. "Eligible operating expenses" means all
9 expenses required for public transportation, including
10 employee wages and benefits, materials, fuels, supplies,
11 rental of facilities, taxes other than income taxes, payment
12 made for debt service (including principal and interest) on
13 publicly owned equipment or facilities, and any other
14 expenditure which is an operating expense according to standard
15 accounting practices for the providing of public
16 transportation. Eligible operating expenses shall not include
17 allowances: (a) for depreciation whether funded or unfunded;
18 (b) for amortization of any intangible costs; (c) for debt
19 service on capital acquired with the assistance of capital
20 grant funds provided by the State of Illinois; (d) for profits
21 or return on investment; (e) for excessive payment to
22 associated entities; (f) for Comprehensive Employment Training
23 Act expenses; (g) for costs reimbursed under Sections 6 and 8

1 of the "Urban Mass Transportation Act of 1964", as amended; (h)
2 for entertainment expenses; (i) for charter expenses; (j) for
3 fines and penalties; (k) for charitable donations; (l) for
4 interest expense on long term borrowing and debt retirement
5 other than on publicly owned equipment or facilities; (m) for
6 income taxes; or (n) for such other expenses as the Department
7 may determine consistent with federal Department of
8 Transportation regulations or requirements. In consultation
9 with participants, the Department shall, by October 2008,
10 promulgate or update rules, pursuant to the Illinois
11 Administrative Procedure Act, concerning eligible expenses to
12 ensure consistent application of the Act, and the Department
13 shall provide written copies of those rules to all eligible
14 recipients. The Department shall review this process in the
15 same manner no less frequently than every 5 years.

16 With respect to participants other than any Metro-East
17 Transit District participant and those receiving federal
18 research development and demonstration funds pursuant to
19 Section 6 of the "Urban Mass Transportation Act of 1964", as
20 amended, during the fiscal year ending June 30, 1979, the
21 maximum eligible operating expenses for any such participant in
22 any fiscal year after Fiscal Year 1980 shall be the amount
23 appropriated for such participant for the fiscal year ending
24 June 30, 1980, plus in each year a 10% increase over the
25 maximum established for the preceding fiscal year. For Fiscal
26 Year 1980 the maximum eligible operating expenses for any such

1 participant shall be the amount of projected operating expenses
2 upon which the appropriation for such participant for Fiscal
3 Year 1980 is based.

4 With respect to participants receiving federal research
5 development and demonstration operating assistance funds for
6 operating assistance pursuant to Section 6 of the "Urban Mass
7 Transportation Act of 1964", as amended, during the fiscal year
8 ending June 30, 1979, the maximum eligible operating expenses
9 for any such participant in any fiscal year after Fiscal Year
10 1980 shall not exceed such participant's eligible operating
11 expenses for the fiscal year ending June 30, 1980, plus in each
12 year a 10% increase over the maximum established for the
13 preceding fiscal year. For Fiscal Year 1980, the maximum
14 eligible operating expenses for any such participant shall be
15 the eligible operating expenses incurred during such fiscal
16 year, or projected operating expenses upon which the
17 appropriation for such participant for the Fiscal Year 1980 is
18 based; whichever is less.

19 With respect to all participants other than any Metro-East
20 Transit District participant, the maximum eligible operating
21 expenses for any such participant in any fiscal year after
22 Fiscal Year 1985 (except Fiscal Year 2008 and Fiscal Year 2009)
23 shall be the amount appropriated for such participant for the
24 fiscal year ending June 30, 1985, plus in each year a 10%
25 increase over the maximum established for the preceding year.
26 For Fiscal Year 1985, the maximum eligible operating expenses

1 for any such participant shall be the amount of projected
2 operating expenses upon which the appropriation for such
3 participant for Fiscal Year 1985 is based.

4 With respect to any mass transit district participant that
5 has increased its district boundaries by annexing counties
6 since 1998 and is maintaining a level of local financial
7 support, including all income and revenues, equal to or greater
8 than the level in the State fiscal year ending June 30, 2001,
9 the maximum eligible operating expenses for any State fiscal
10 year after 2002 (except State fiscal years ~~year~~ 2006 through
11 2009) shall be the amount appropriated for that participant for
12 the State fiscal year ending June 30, 2002, plus, in each State
13 fiscal year, a 10% increase over the preceding State fiscal
14 year. For State fiscal year 2002, the maximum eligible
15 operating expenses for any such participant shall be the amount
16 of projected operating expenses upon which the appropriation
17 for that participant for State fiscal year 2002 is based. For
18 that participant, eligible operating expenses for State fiscal
19 year 2002 in excess of the eligible operating expenses for the
20 State fiscal year ending June 30, 2001, plus 10%, must be
21 attributed to the provision of services in the newly annexed
22 counties.

23 With respect to a participant that receives an initial
24 appropriation in State fiscal year 2002 or thereafter, the
25 maximum eligible operating expenses for any State fiscal year
26 after 2003 (except State fiscal years ~~year~~ 2006 through 2009)

1 shall be the amount appropriated for that participant for the
2 State fiscal year in which it received its initial
3 appropriation, plus, in each year, a 10% increase over the
4 preceding year. For the initial State fiscal year in which a
5 participant received an appropriation, the maximum eligible
6 operating expenses for any such participant shall be the amount
7 of projected operating expenses upon which the appropriation
8 for that participant for that State fiscal year is based.

9 With respect to the District serving primarily the counties
10 of Monroe and St. Clair, beginning July 1, 2005, the St. Clair
11 County Transit District shall no longer be included for new
12 appropriation funding purposes as part of the Metro-East Public
13 Transportation Fund and instead shall be included for new
14 appropriation funding purposes as part of the Downstate Public
15 Transportation Fund; provided, however, that nothing herein
16 shall alter the eligibility of that District for previously
17 appropriated funds to which it would otherwise be entitled.

18 With respect to the fiscal year beginning July 1, 2007, and
19 thereafter, the following shall be included for new
20 appropriation funding purposes as part of the Downstate Public
21 Transportation Fund: Bond County; Bureau County; Coles County;
22 Edgar County; Stephenson County and the City of Freeport; Henry
23 County; Jo Daviess County; Kankakee and McLean Counties; Peoria
24 County; Piatt County; Shelby County; Tazewell and Woodford
25 Counties; Vermillion County; Williamson County; and Kendall
26 County.

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

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

3 Sec. 2-3. (a) As soon as possible after the first day of
4 each month, beginning July 1, 1984, upon certification of the
5 Department of Revenue, the Comptroller shall order
6 transferred, and the Treasurer shall transfer, from the General
7 Revenue Fund to a special fund in the State Treasury which is
8 hereby created, to be known as the "Downstate Public
9 Transportation Fund", an amount equal to 2/32 (beginning July
10 1, 2005, 3/32) of the net revenue realized from the "Retailers'
11 Occupation Tax Act", as now or hereafter amended, the "Service
12 Occupation Tax Act", as now or hereafter amended, the "Use Tax
13 Act", as now or hereafter amended, and the "Service Use Tax
14 Act", as now or hereafter amended, from persons incurring
15 municipal or county retailers' or service occupation tax
16 liability for the benefit of any municipality or county located
17 wholly within the boundaries of each participant other than any
18 Metro-East Transit District participant certified pursuant to
19 subsection (c) of this Section during the preceding month,
20 except that the Department shall pay into the Downstate Public
21 Transportation Fund 2/32 (beginning July 1, 2005, 3/32) of 80%
22 of the net revenue realized under the State tax Acts named
23 above within any municipality or county located wholly within
24 the boundaries of each participant, other than any Metro-East
25 participant, for tax periods beginning on or after January 1,

1 ~~1990; provided, however, that beginning with fiscal year 1985,~~
2 ~~the transfers into the Downstate Public Transportation Fund~~
3 ~~during any fiscal year shall not exceed the annual~~
4 ~~appropriation from the Downstate Public Transportation Fund~~
5 ~~for that year. The Department of Transportation shall notify~~
6 ~~the Department of Revenue and the Comptroller at the beginning~~
7 ~~of each fiscal year of the amount of the annual appropriation~~
8 ~~from the Downstate Public Transportation Fund.~~ Net revenue
9 realized for a month shall be the revenue collected by the
10 State pursuant to such Acts during the previous month from
11 persons incurring municipal or county retailers' or service
12 occupation tax liability for the benefit of any municipality or
13 county located wholly within the boundaries of a participant,
14 less the amount paid out during that same month as refunds or
15 credit memoranda to taxpayers for overpayment of liability
16 under such Acts for the benefit of any municipality or county
17 located wholly within the boundaries of a participant.

18 (b) As soon as possible after the first day of each month,
19 beginning July 1, 1989, upon certification of the Department of
20 Revenue, the Comptroller shall order transferred, and the
21 Treasurer shall transfer, from the General Revenue Fund to a
22 special fund in the State Treasury which is hereby created, to
23 be known as the "Metro-East Public Transportation Fund", an
24 amount equal to 2/32 of the net revenue realized, as above,
25 from within the boundaries of Madison, Monroe, and St. Clair
26 Counties, except that the Department shall pay into the

1 Metro-East Public Transportation Fund 2/32 of 80% of the net
2 revenue realized under the State tax Acts specified in
3 subsection (a) of this Section within the boundaries of
4 Madison, Monroe and St. Clair Counties for tax periods
5 beginning on or after January 1, 1990. A local match equivalent
6 to an amount which could be raised by a tax levy at the rate of
7 .05% on the assessed value of property within the boundaries of
8 Madison County is required annually to cause a total of 2/32 of
9 the net revenue to be deposited in the Metro-East Public
10 Transportation Fund. Failure to raise the required local match
11 annually shall result in only 1/32 being deposited into the
12 Metro-East Public Transportation Fund after July 1, 1989, or
13 1/32 of 80% of the net revenue realized for tax periods
14 beginning on or after January 1, 1990.

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

26 (b-6) As soon as possible after the first day of each

1 month, beginning in fiscal year 2009, upon certification of the
2 Department of Revenue, the Comptroller shall order
3 transferred, and the Treasurer shall transfer, from the General
4 Revenue Fund to the Metro-East Public Transportation Fund, an
5 amount equal to 3/32 of 80% of the net revenue realized from
6 within the boundaries of Madison County under the State Tax
7 Acts specified in subsection (a) of this Section.

8 (c) The Department shall certify to the Department of
9 Revenue the eligible participants under this Article and the
10 territorial boundaries of such participants for the purposes of
11 the Department of Revenue in subsections (a) and (b) of this
12 Section.

13 (d) For the purposes of this Article the Department shall
14 include in its annual request for appropriation of ordinary and
15 contingent expenses an amount equal to the sum total funds
16 projected to be paid to the participants pursuant to Section
17 2-7.

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

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

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

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

4 (a) Any Metro-East Transit District participant shall, no
5 later than 60 days following the end of each quarter of any
6 fiscal year, file with the Department on forms provided by the
7 Department for that purpose, a report of the actual operating
8 deficit experienced during that quarter. The Department shall,
9 upon receipt of the quarterly report, determine whether the
10 operating deficits were incurred in conformity with the program
11 of proposed expenditures approved by the Department pursuant to
12 Section 2-11. Any Metro-East District may either monthly or
13 quarterly for any fiscal year file a request for the
14 participant's eligible share, as allocated in accordance with
15 Section 2-6, of the amounts transferred into the Metro-East
16 Public Transportation Fund.

17 (b) Each participant other than any Metro-East Transit
18 District participant shall, 30 days before the end of each
19 quarter, file with the Department on forms provided by the
20 Department for such purposes a report of the projected eligible
21 operating expenses to be incurred in the next quarter and 30
22 days before the third and fourth quarters of any fiscal year a
23 statement of actual eligible operating expenses incurred in the
24 preceding quarters. Except as otherwise provided in subsection
25 (b-5), within 45 days of receipt by the Department of such

1 quarterly report, the Comptroller shall order paid and the
2 Treasurer shall pay from the Downstate Public Transportation
3 Fund to each participant an amount equal to one-third of such
4 participant's eligible operating expenses; provided, however,
5 that in Fiscal Year 1997, the amount paid to each participant
6 from the Downstate Public Transportation Fund shall be an
7 amount equal to 47% of such participant's eligible operating
8 expenses and shall be increased to 49% in Fiscal Year 1998, 51%
9 in Fiscal Year 1999, 53% in Fiscal Year 2000, ~~and~~ 55% in Fiscal
10 Years Year 2001 through 2007, 65% in Fiscal Year 2008, and 70%
11 in Fiscal Year 2009 and thereafter; however, in any year that a
12 participant receives funding under subsection (i) of Section
13 2705-305 of the Department of Transportation Law (20 ILCS
14 2705/2705-305), that participant shall be eligible only for
15 assistance equal to the following percentage of its eligible
16 operating expenses: 42% in Fiscal Year 1997, 44% in Fiscal Year
17 1998, 46% in Fiscal Year 1999, 48% in Fiscal Year 2000, and 50%
18 in Fiscal Year 2001 and thereafter. Any such payment for the
19 third and fourth quarters of any fiscal year shall be adjusted
20 to reflect actual eligible operating expenses for preceding
21 quarters of such fiscal year. However, no participant shall
22 receive an amount less than that which was received in the
23 immediate prior year, provided in the event of a shortfall in
24 the fund those participants receiving less than their full
25 allocation pursuant to Section 2-6 of this Article shall be the
26 first participants to receive an amount not less than that

1 received in the immediate prior year.

2 (b-5) (Blank.) ~~With respect to the District serving~~
3 ~~primarily the counties of Monroe and St. Clair, beginning July~~
4 ~~1, 2005 and each fiscal year thereafter, the District may, as~~
5 ~~an alternative to the provisions of subsection (b) of Section~~
6 ~~2-7, file a request with the Department for a monthly payment~~
7 ~~of 1/12 of the amount appropriated to the District for that~~
8 ~~fiscal year; except that, for the final month of the fiscal~~
9 ~~year, the District's request shall be in an amount such that~~
10 ~~the total payments made to the District in that fiscal year do~~
11 ~~not exceed the lesser of (i) 55% of the District's eligible~~
12 ~~operating expenses for that fiscal year or (ii) the total~~
13 ~~amount appropriated to the District for that fiscal year.~~

14 (b-10) On July 1, 2009, each participant shall receive an
15 appropriation in an amount equal to 70% of its fiscal year 2008
16 eligible operating expenses adjusted by the annual 10% increase
17 required by Section 2-2.04 of this Act. In no case shall any
18 participant receive an appropriation that is less than its
19 fiscal year 2008 appropriation. Every fiscal year thereafter,
20 each participant's appropriation shall increase by 10% over the
21 appropriation established for the preceding fiscal year as
22 required by Section 2-2.04 of this Act.

23 (b-15) Beginning on July 1, 2007, and for each fiscal year
24 thereafter, each participant shall maintain a minimum local
25 share contribution (from farebox and all other local revenues)
26 equal to the actual amount provided in Fiscal Year 2006 or, for

1 new recipients, an amount equivalent to the local share
2 provided in the first year of participation.

3 (b-20) Any participant in the Downstate Public
4 Transportation Fund may use State operating assistance
5 pursuant to this Section to provide transportation services
6 within any county that is contiguous to its territorial
7 boundaries as defined by the Department and subject to
8 Departmental approval. Any such contiguous-area service
9 provided by a participant after July 1, 2007 must meet the
10 requirements of subsection (a) of Section 2-5.1.

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

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

24 (30 ILCS 740/2-15) (from Ch. 111 2/3, par. 675.1)

25 Sec. 2-15. Except as otherwise provided in this Section,

1 all funds which remain in the Downstate Public Transportation
2 Fund or the Metro-East Public Transportation Fund after the
3 payment of the fourth quarterly payment to participants other
4 than Metro-East Transit District participants and the last
5 monthly payment to Metro-East Transit participants in each
6 fiscal year shall be transferred (i) to the General Revenue
7 Fund through fiscal year 2008 and (ii) to the Downstate Transit
8 Improvement Fund for fiscal year 2009 and each fiscal year
9 thereafter. Transfers shall be made no later than 90 days
10 following the end of such fiscal year. Beginning fiscal year
11 2010, all moneys each year in the Downstate Transit Improvement
12 Fund, held solely for the benefit of the participants in the
13 Downstate Public Transportation Fund and the Metro-East
14 Transit Fund, shall be appropriated to the Department to make
15 competitive capital grants to the participants of the
16 respective funds. However, such amount as the Department
17 determines to be necessary for (1) allocation to participants
18 for the purposes of Section 2-7 for the first quarter of the
19 succeeding fiscal year and (2) an amount equal to 2% of the
20 total allocations to participants in the fiscal year just ended
21 to be used for the purpose of audit adjustments shall be
22 retained in such Funds to be used by the Department for such
23 purposes.

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

25 Section 7.5. The Retailers' Occupation Tax Act is amended

1 by changing Section 3 as follows:

2 (35 ILCS 120/3) (from Ch. 120, par. 442)

3 Sec. 3. Except as provided in this Section, on or before
4 the twentieth day of each calendar month, every person engaged
5 in the business of selling tangible personal property at retail
6 in this State during the preceding calendar month shall file a
7 return with the Department, stating:

8 1. The name of the seller;

9 2. His residence address and the address of his
10 principal place of business and the address of the
11 principal place of business (if that is a different
12 address) from which he engages in the business of selling
13 tangible personal property at retail in this State;

14 3. Total amount of receipts received by him during the
15 preceding calendar month or quarter, as the case may be,
16 from sales of tangible personal property, and from services
17 furnished, by him during such preceding calendar month or
18 quarter;

19 4. Total amount received by him during the preceding
20 calendar month or quarter on charge and time sales of
21 tangible personal property, and from services furnished,
22 by him prior to the month or quarter for which the return
23 is filed;

24 5. Deductions allowed by law;

25 6. Gross receipts which were received by him during the

1 preceding calendar month or quarter and upon the basis of
2 which the tax is imposed;

3 7. The amount of credit provided in Section 2d of this
4 Act;

5 8. The amount of tax due;

6 9. The signature of the taxpayer; and

7 10. Such other reasonable information as the
8 Department may require.

9 If a taxpayer fails to sign a return within 30 days after
10 the proper notice and demand for signature by the Department,
11 the return shall be considered valid and any amount shown to be
12 due on the return shall be deemed assessed.

13 Each return shall be accompanied by the statement of
14 prepaid tax issued pursuant to Section 2e for which credit is
15 claimed.

16 Prior to October 1, 2003, and on and after September 1,
17 2004 a retailer may accept a Manufacturer's Purchase Credit
18 certification from a purchaser in satisfaction of Use Tax as
19 provided in Section 3-85 of the Use Tax Act if the purchaser
20 provides the appropriate documentation as required by Section
21 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
22 certification, accepted by a retailer prior to October 1, 2003
23 and on and after September 1, 2004 as provided in Section 3-85
24 of the Use Tax Act, may be used by that retailer to satisfy
25 Retailers' Occupation Tax liability in the amount claimed in
26 the certification, not to exceed 6.25% of the receipts subject

1 to tax from a qualifying purchase. A Manufacturer's Purchase
2 Credit reported on any original or amended return filed under
3 this Act after October 20, 2003 for reporting periods prior to
4 September 1, 2004 shall be disallowed. Manufacturer's
5 Purchaser Credit reported on annual returns due on or after
6 January 1, 2005 will be disallowed for periods prior to
7 September 1, 2004. No Manufacturer's Purchase Credit may be
8 used after September 30, 2003 through August 31, 2004 to
9 satisfy any tax liability imposed under this Act, including any
10 audit liability.

11 The Department may require returns to be filed on a
12 quarterly basis. If so required, a return for each calendar
13 quarter shall be filed on or before the twentieth day of the
14 calendar month following the end of such calendar quarter. The
15 taxpayer shall also file a return with the Department for each
16 of the first two months of each calendar quarter, on or before
17 the twentieth day of the following calendar month, stating:

18 1. The name of the seller;

19 2. The address of the principal place of business from
20 which he engages in the business of selling tangible
21 personal property at retail in this State;

22 3. The total amount of taxable receipts received by him
23 during the preceding calendar month from sales of tangible
24 personal property by him during such preceding calendar
25 month, including receipts from charge and time sales, but
26 less all deductions allowed by law;

1 4. The amount of credit provided in Section 2d of this
2 Act;

3 5. The amount of tax due; and

4 6. Such other reasonable information as the Department
5 may require.

6 Beginning on October 1, 2003, any person who is not a
7 licensed distributor, importing distributor, or manufacturer,
8 as defined in the Liquor Control Act of 1934, but is engaged in
9 the business of selling, at retail, alcoholic liquor shall file
10 a statement with the Department of Revenue, in a format and at
11 a time prescribed by the Department, showing the total amount
12 paid for alcoholic liquor purchased during the preceding month
13 and such other information as is reasonably required by the
14 Department. The Department may adopt rules to require that this
15 statement be filed in an electronic or telephonic format. Such
16 rules may provide for exceptions from the filing requirements
17 of this paragraph. For the purposes of this paragraph, the term
18 "alcoholic liquor" shall have the meaning prescribed in the
19 Liquor Control Act of 1934.

20 Beginning on October 1, 2003, every distributor, importing
21 distributor, and manufacturer of alcoholic liquor as defined in
22 the Liquor Control Act of 1934, shall file a statement with the
23 Department of Revenue, no later than the 10th day of the month
24 for the preceding month during which transactions occurred, by
25 electronic means, showing the total amount of gross receipts
26 from the sale of alcoholic liquor sold or distributed during

1 the preceding month to purchasers; identifying the purchaser to
2 whom it was sold or distributed; the purchaser's tax
3 registration number; and such other information reasonably
4 required by the Department. A distributor, importing
5 distributor, or manufacturer of alcoholic liquor must
6 personally deliver, mail, or provide by electronic means to
7 each retailer listed on the monthly statement a report
8 containing a cumulative total of that distributor's, importing
9 distributor's, or manufacturer's total sales of alcoholic
10 liquor to that retailer no later than the 10th day of the month
11 for the preceding month during which the transaction occurred.
12 The distributor, importing distributor, or manufacturer shall
13 notify the retailer as to the method by which the distributor,
14 importing distributor, or manufacturer will provide the sales
15 information. If the retailer is unable to receive the sales
16 information by electronic means, the distributor, importing
17 distributor, or manufacturer shall furnish the sales
18 information by personal delivery or by mail. For purposes of
19 this paragraph, the term "electronic means" includes, but is
20 not limited to, the use of a secure Internet website, e-mail,
21 or facsimile.

22 Beginning with the month immediately following the
23 effective date of this amendatory Act of the 95th General
24 Assembly and for each month thereafter, a retailer of motor
25 fuel that is located in the metropolitan region must separately
26 record the gross receipts received by him or her from the

1 retail sale of motor fuel and the amount of tax properly due
2 and required to be paid on those sales (including amounts
3 prepaid by the retailer to the motor fuel distributor under
4 Section 2d of this Act). Beginning with the second month
5 immediately following the effective date of this amendatory Act
6 of the 95th General Assembly and for each month thereafter,
7 each retailer of motor fuel that is located within the
8 metropolitan region must file a report to the Department of
9 Revenue detailing the gross receipts that were received by him
10 or her from the retail sale of motor fuel during the preceding
11 calendar month or quarter, as the case may be, and the amount
12 of tax properly due and paid on those sales (including amounts
13 prepaid by the retailer to the motor fuel distributor under
14 Section 2d of this Act). The report must be filed in the manner
15 and format as prescribed by the Department of Revenue and is
16 due at the same time as the return filed by the retailer under
17 this Act. For purposes of this paragraph, "motor fuel" means
18 that term as defined in the Motor Fuel Tax Law, not including
19 aviation fuel, and "metropolitan region" means that term as
20 defined in the Regional Transportation Authority Act.

21 If a total amount of less than \$1 is payable, refundable or
22 creditable, such amount shall be disregarded if it is less than
23 50 cents and shall be increased to \$1 if it is 50 cents or more.

24 Beginning October 1, 1993, a taxpayer who has an average
25 monthly tax liability of \$150,000 or more shall make all
26 payments required by rules of the Department by electronic

1 funds transfer. Beginning October 1, 1994, a taxpayer who has
2 an average monthly tax liability of \$100,000 or more shall make
3 all payments required by rules of the Department by electronic
4 funds transfer. Beginning October 1, 1995, a taxpayer who has
5 an average monthly tax liability of \$50,000 or more shall make
6 all payments required by rules of the Department by electronic
7 funds transfer. Beginning October 1, 2000, a taxpayer who has
8 an annual tax liability of \$200,000 or more shall make all
9 payments required by rules of the Department by electronic
10 funds transfer. The term "annual tax liability" shall be the
11 sum of the taxpayer's liabilities under this Act, and under all
12 other State and local occupation and use tax laws administered
13 by the Department, for the immediately preceding calendar year.
14 The term "average monthly tax liability" shall be the sum of
15 the taxpayer's liabilities under this Act, and under all other
16 State and local occupation and use tax laws administered by the
17 Department, for the immediately preceding calendar year
18 divided by 12. Beginning on October 1, 2002, a taxpayer who has
19 a tax liability in the amount set forth in subsection (b) of
20 Section 2505-210 of the Department of Revenue Law shall make
21 all payments required by rules of the Department by electronic
22 funds transfer.

23 Before August 1 of each year beginning in 1993, the
24 Department shall notify all taxpayers required to make payments
25 by electronic funds transfer. All taxpayers required to make
26 payments by electronic funds transfer shall make those payments

1 for a minimum of one year beginning on October 1.

2 Any taxpayer not required to make payments by electronic
3 funds transfer may make payments by electronic funds transfer
4 with the permission of the Department.

5 All taxpayers required to make payment by electronic funds
6 transfer and any taxpayers authorized to voluntarily make
7 payments by electronic funds transfer shall make those payments
8 in the manner authorized by the Department.

9 The Department shall adopt such rules as are necessary to
10 effectuate a program of electronic funds transfer and the
11 requirements of this Section.

12 Any amount which is required to be shown or reported on any
13 return or other document under this Act shall, if such amount
14 is not a whole-dollar amount, be increased to the nearest
15 whole-dollar amount in any case where the fractional part of a
16 dollar is 50 cents or more, and decreased to the nearest
17 whole-dollar amount where the fractional part of a dollar is
18 less than 50 cents.

19 If the retailer is otherwise required to file a monthly
20 return and if the retailer's average monthly tax liability to
21 the Department does not exceed \$200, the Department may
22 authorize his returns to be filed on a quarter annual basis,
23 with the return for January, February and March of a given year
24 being due by April 20 of such year; with the return for April,
25 May and June of a given year being due by July 20 of such year;
26 with the return for July, August and September of a given year

1 being due by October 20 of such year, and with the return for
2 October, November and December of a given year being due by
3 January 20 of the following year.

4 If the retailer is otherwise required to file a monthly or
5 quarterly return and if the retailer's average monthly tax
6 liability with the Department does not exceed \$50, the
7 Department may authorize his returns to be filed on an annual
8 basis, with the return for a given year being due by January 20
9 of the following year.

10 Such quarter annual and annual returns, as to form and
11 substance, shall be subject to the same requirements as monthly
12 returns.

13 Notwithstanding any other provision in this Act concerning
14 the time within which a retailer may file his return, in the
15 case of any retailer who ceases to engage in a kind of business
16 which makes him responsible for filing returns under this Act,
17 such retailer shall file a final return under this Act with the
18 Department not more than one month after discontinuing such
19 business.

20 Where the same person has more than one business registered
21 with the Department under separate registrations under this
22 Act, such person may not file each return that is due as a
23 single return covering all such registered businesses, but
24 shall file separate returns for each such registered business.

25 In addition, with respect to motor vehicles, watercraft,
26 aircraft, and trailers that are required to be registered with

1 an agency of this State, every retailer selling this kind of
2 tangible personal property shall file, with the Department,
3 upon a form to be prescribed and supplied by the Department, a
4 separate return for each such item of tangible personal
5 property which the retailer sells, except that if, in the same
6 transaction, (i) a retailer of aircraft, watercraft, motor
7 vehicles or trailers transfers more than one aircraft,
8 watercraft, motor vehicle or trailer to another aircraft,
9 watercraft, motor vehicle retailer or trailer retailer for the
10 purpose of resale or (ii) a retailer of aircraft, watercraft,
11 motor vehicles, or trailers transfers more than one aircraft,
12 watercraft, motor vehicle, or trailer to a purchaser for use as
13 a qualifying rolling stock as provided in Section 2-5 of this
14 Act, then that seller may report the transfer of all aircraft,
15 watercraft, motor vehicles or trailers involved in that
16 transaction to the Department on the same uniform
17 invoice-transaction reporting return form. For purposes of
18 this Section, "watercraft" means a Class 2, Class 3, or Class 4
19 watercraft as defined in Section 3-2 of the Boat Registration
20 and Safety Act, a personal watercraft, or any boat equipped
21 with an inboard motor.

22 Any retailer who sells only motor vehicles, watercraft,
23 aircraft, or trailers that are required to be registered with
24 an agency of this State, so that all retailers' occupation tax
25 liability is required to be reported, and is reported, on such
26 transaction reporting returns and who is not otherwise required

1 to file monthly or quarterly returns, need not file monthly or
2 quarterly returns. However, those retailers shall be required
3 to file returns on an annual basis.

4 The transaction reporting return, in the case of motor
5 vehicles or trailers that are required to be registered with an
6 agency of this State, shall be the same document as the Uniform
7 Invoice referred to in Section 5-402 of The Illinois Vehicle
8 Code and must show the name and address of the seller; the name
9 and address of the purchaser; the amount of the selling price
10 including the amount allowed by the retailer for traded-in
11 property, if any; the amount allowed by the retailer for the
12 traded-in tangible personal property, if any, to the extent to
13 which Section 1 of this Act allows an exemption for the value
14 of traded-in property; the balance payable after deducting such
15 trade-in allowance from the total selling price; the amount of
16 tax due from the retailer with respect to such transaction; the
17 amount of tax collected from the purchaser by the retailer on
18 such transaction (or satisfactory evidence that such tax is not
19 due in that particular instance, if that is claimed to be the
20 fact); the place and date of the sale; a sufficient
21 identification of the property sold; such other information as
22 is required in Section 5-402 of The Illinois Vehicle Code, and
23 such other information as the Department may reasonably
24 require.

25 The transaction reporting return in the case of watercraft
26 or aircraft must show the name and address of the seller; the

1 name and address of the purchaser; the amount of the selling
2 price including the amount allowed by the retailer for
3 traded-in property, if any; the amount allowed by the retailer
4 for the traded-in tangible personal property, if any, to the
5 extent to which Section 1 of this Act allows an exemption for
6 the value of traded-in property; the balance payable after
7 deducting such trade-in allowance from the total selling price;
8 the amount of tax due from the retailer with respect to such
9 transaction; the amount of tax collected from the purchaser by
10 the retailer on such transaction (or satisfactory evidence that
11 such tax is not due in that particular instance, if that is
12 claimed to be the fact); the place and date of the sale, a
13 sufficient identification of the property sold, and such other
14 information as the Department may reasonably require.

15 Such transaction reporting return shall be filed not later
16 than 20 days after the day of delivery of the item that is
17 being sold, but may be filed by the retailer at any time sooner
18 than that if he chooses to do so. The transaction reporting
19 return and tax remittance or proof of exemption from the
20 Illinois use tax may be transmitted to the Department by way of
21 the State agency with which, or State officer with whom the
22 tangible personal property must be titled or registered (if
23 titling or registration is required) if the Department and such
24 agency or State officer determine that this procedure will
25 expedite the processing of applications for title or
26 registration.

1 With each such transaction reporting return, the retailer
2 shall remit the proper amount of tax due (or shall submit
3 satisfactory evidence that the sale is not taxable if that is
4 the case), to the Department or its agents, whereupon the
5 Department shall issue, in the purchaser's name, a use tax
6 receipt (or a certificate of exemption if the Department is
7 satisfied that the particular sale is tax exempt) which such
8 purchaser may submit to the agency with which, or State officer
9 with whom, he must title or register the tangible personal
10 property that is involved (if titling or registration is
11 required) in support of such purchaser's application for an
12 Illinois certificate or other evidence of title or registration
13 to such tangible personal property.

14 No retailer's failure or refusal to remit tax under this
15 Act precludes a user, who has paid the proper tax to the
16 retailer, from obtaining his certificate of title or other
17 evidence of title or registration (if titling or registration
18 is required) upon satisfying the Department that such user has
19 paid the proper tax (if tax is due) to the retailer. The
20 Department shall adopt appropriate rules to carry out the
21 mandate of this paragraph.

22 If the user who would otherwise pay tax to the retailer
23 wants the transaction reporting return filed and the payment of
24 the tax or proof of exemption made to the Department before the
25 retailer is willing to take these actions and such user has not
26 paid the tax to the retailer, such user may certify to the fact

1 of such delay by the retailer and may (upon the Department
2 being satisfied of the truth of such certification) transmit
3 the information required by the transaction reporting return
4 and the remittance for tax or proof of exemption directly to
5 the Department and obtain his tax receipt or exemption
6 determination, in which event the transaction reporting return
7 and tax remittance (if a tax payment was required) shall be
8 credited by the Department to the proper retailer's account
9 with the Department, but without the 2.1% or 1.75% discount
10 provided for in this Section being allowed. When the user pays
11 the tax directly to the Department, he shall pay the tax in the
12 same amount and in the same form in which it would be remitted
13 if the tax had been remitted to the Department by the retailer.

14 Refunds made by the seller during the preceding return
15 period to purchasers, on account of tangible personal property
16 returned to the seller, shall be allowed as a deduction under
17 subdivision 5 of his monthly or quarterly return, as the case
18 may be, in case the seller had theretofore included the
19 receipts from the sale of such tangible personal property in a
20 return filed by him and had paid the tax imposed by this Act
21 with respect to such receipts.

22 Where the seller is a corporation, the return filed on
23 behalf of such corporation shall be signed by the president,
24 vice-president, secretary or treasurer or by the properly
25 accredited agent of such corporation.

26 Where the seller is a limited liability company, the return

1 filed on behalf of the limited liability company shall be
2 signed by a manager, member, or properly accredited agent of
3 the limited liability company.

4 Except as provided in this Section, the retailer filing the
5 return under this Section shall, at the time of filing such
6 return, pay to the Department the amount of tax imposed by this
7 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
8 on and after January 1, 1990, or \$5 per calendar year,
9 whichever is greater, which is allowed to reimburse the
10 retailer for the expenses incurred in keeping records,
11 preparing and filing returns, remitting the tax and supplying
12 data to the Department on request. Any prepayment made pursuant
13 to Section 2d of this Act shall be included in the amount on
14 which such 2.1% or 1.75% discount is computed. In the case of
15 retailers who report and pay the tax on a transaction by
16 transaction basis, as provided in this Section, such discount
17 shall be taken with each such tax remittance instead of when
18 such retailer files his periodic return.

19 Before October 1, 2000, if the taxpayer's average monthly
20 tax liability to the Department under this Act, the Use Tax
21 Act, the Service Occupation Tax Act, and the Service Use Tax
22 Act, excluding any liability for prepaid sales tax to be
23 remitted in accordance with Section 2d of this Act, was \$10,000
24 or more during the preceding 4 complete calendar quarters, he
25 shall file a return with the Department each month by the 20th
26 day of the month next following the month during which such tax

1 liability is incurred and shall make payments to the Department
2 on or before the 7th, 15th, 22nd and last day of the month
3 during which such liability is incurred. On and after October
4 1, 2000, if the taxpayer's average monthly tax liability to the
5 Department under this Act, the Use Tax Act, the Service
6 Occupation Tax Act, and the Service Use Tax Act, excluding any
7 liability for prepaid sales tax to be remitted in accordance
8 with Section 2d of this Act, was \$20,000 or more during the
9 preceding 4 complete calendar quarters, he shall file a return
10 with the Department each month by the 20th day of the month
11 next following the month during which such tax liability is
12 incurred and shall make payment to the Department on or before
13 the 7th, 15th, 22nd and last day of the month during which such
14 liability is incurred. If the month during which such tax
15 liability is incurred began prior to January 1, 1985, each
16 payment shall be in an amount equal to 1/4 of the taxpayer's
17 actual liability for the month or an amount set by the
18 Department not to exceed 1/4 of the average monthly liability
19 of the taxpayer to the Department for the preceding 4 complete
20 calendar quarters (excluding the month of highest liability and
21 the month of lowest liability in such 4 quarter period). If the
22 month during which such tax liability is incurred begins on or
23 after January 1, 1985 and prior to January 1, 1987, each
24 payment shall be in an amount equal to 22.5% of the taxpayer's
25 actual liability for the month or 27.5% of the taxpayer's
26 liability for the same calendar month of the preceding year. If

1 the month during which such tax liability is incurred begins on
2 or after January 1, 1987 and prior to January 1, 1988, each
3 payment shall be in an amount equal to 22.5% of the taxpayer's
4 actual liability for the month or 26.25% of the taxpayer's
5 liability for the same calendar month of the preceding year. If
6 the month during which such tax liability is incurred begins on
7 or after January 1, 1988, and prior to January 1, 1989, or
8 begins on or after January 1, 1996, each payment shall be in an
9 amount equal to 22.5% of the taxpayer's actual liability for
10 the month or 25% of the taxpayer's liability for the same
11 calendar month of the preceding year. If the month during which
12 such tax liability is incurred begins on or after January 1,
13 1989, and prior to January 1, 1996, each payment shall be in an
14 amount equal to 22.5% of the taxpayer's actual liability for
15 the month or 25% of the taxpayer's liability for the same
16 calendar month of the preceding year or 100% of the taxpayer's
17 actual liability for the quarter monthly reporting period. The
18 amount of such quarter monthly payments shall be credited
19 against the final tax liability of the taxpayer's return for
20 that month. Before October 1, 2000, once applicable, the
21 requirement of the making of quarter monthly payments to the
22 Department by taxpayers having an average monthly tax liability
23 of \$10,000 or more as determined in the manner provided above
24 shall continue until such taxpayer's average monthly liability
25 to the Department during the preceding 4 complete calendar
26 quarters (excluding the month of highest liability and the

1 month of lowest liability) is less than \$9,000, or until such
2 taxpayer's average monthly liability to the Department as
3 computed for each calendar quarter of the 4 preceding complete
4 calendar quarter period is less than \$10,000. However, if a
5 taxpayer can show the Department that a substantial change in
6 the taxpayer's business has occurred which causes the taxpayer
7 to anticipate that his average monthly tax liability for the
8 reasonably foreseeable future will fall below the \$10,000
9 threshold stated above, then such taxpayer may petition the
10 Department for a change in such taxpayer's reporting status. On
11 and after October 1, 2000, once applicable, the requirement of
12 the making of quarter monthly payments to the Department by
13 taxpayers having an average monthly tax liability of \$20,000 or
14 more as determined in the manner provided above shall continue
15 until such taxpayer's average monthly liability to the
16 Department during the preceding 4 complete calendar quarters
17 (excluding the month of highest liability and the month of
18 lowest liability) is less than \$19,000 or until such taxpayer's
19 average monthly liability to the Department as computed for
20 each calendar quarter of the 4 preceding complete calendar
21 quarter period is less than \$20,000. However, if a taxpayer can
22 show the Department that a substantial change in the taxpayer's
23 business has occurred which causes the taxpayer to anticipate
24 that his average monthly tax liability for the reasonably
25 foreseeable future will fall below the \$20,000 threshold stated
26 above, then such taxpayer may petition the Department for a

1 change in such taxpayer's reporting status. The Department
2 shall change such taxpayer's reporting status unless it finds
3 that such change is seasonal in nature and not likely to be
4 long term. If any such quarter monthly payment is not paid at
5 the time or in the amount required by this Section, then the
6 taxpayer shall be liable for penalties and interest on the
7 difference between the minimum amount due as a payment and the
8 amount of such quarter monthly payment actually and timely
9 paid, except insofar as the taxpayer has previously made
10 payments for that month to the Department in excess of the
11 minimum payments previously due as provided in this Section.
12 The Department shall make reasonable rules and regulations to
13 govern the quarter monthly payment amount and quarter monthly
14 payment dates for taxpayers who file on other than a calendar
15 monthly basis.

16 The provisions of this paragraph apply before October 1,
17 2001. Without regard to whether a taxpayer is required to make
18 quarter monthly payments as specified above, any taxpayer who
19 is required by Section 2d of this Act to collect and remit
20 prepaid taxes and has collected prepaid taxes which average in
21 excess of \$25,000 per month during the preceding 2 complete
22 calendar quarters, shall file a return with the Department as
23 required by Section 2f and shall make payments to the
24 Department on or before the 7th, 15th, 22nd and last day of the
25 month during which such liability is incurred. If the month
26 during which such tax liability is incurred began prior to the

1 effective date of this amendatory Act of 1985, each payment
2 shall be in an amount not less than 22.5% of the taxpayer's
3 actual liability under Section 2d. If the month during which
4 such tax liability is incurred begins on or after January 1,
5 1986, each payment shall be in an amount equal to 22.5% of the
6 taxpayer's actual liability for the month or 27.5% of the
7 taxpayer's liability for the same calendar month of the
8 preceding calendar year. If the month during which such tax
9 liability is incurred begins on or after January 1, 1987, each
10 payment shall be in an amount equal to 22.5% of the taxpayer's
11 actual liability for the month or 26.25% of the taxpayer's
12 liability for the same calendar month of the preceding year.
13 The amount of such quarter monthly payments shall be credited
14 against the final tax liability of the taxpayer's return for
15 that month filed under this Section or Section 2f, as the case
16 may be. Once applicable, the requirement of the making of
17 quarter monthly payments to the Department pursuant to this
18 paragraph shall continue until such taxpayer's average monthly
19 prepaid tax collections during the preceding 2 complete
20 calendar quarters is \$25,000 or less. If any such quarter
21 monthly payment is not paid at the time or in the amount
22 required, the taxpayer shall be liable for penalties and
23 interest on such difference, except insofar as the taxpayer has
24 previously made payments for that month in excess of the
25 minimum payments previously due.

26 The provisions of this paragraph apply on and after October

1 1, 2001. Without regard to whether a taxpayer is required to
2 make quarter monthly payments as specified above, any taxpayer
3 who is required by Section 2d of this Act to collect and remit
4 prepaid taxes and has collected prepaid taxes that average in
5 excess of \$20,000 per month during the preceding 4 complete
6 calendar quarters shall file a return with the Department as
7 required by Section 2f and shall make payments to the
8 Department on or before the 7th, 15th, 22nd and last day of the
9 month during which the liability is incurred. Each payment
10 shall be in an amount equal to 22.5% of the taxpayer's actual
11 liability for the month or 25% of the taxpayer's liability for
12 the same calendar month of the preceding year. The amount of
13 the quarter monthly payments shall be credited against the
14 final tax liability of the taxpayer's return for that month
15 filed under this Section or Section 2f, as the case may be.
16 Once applicable, the requirement of the making of quarter
17 monthly payments to the Department pursuant to this paragraph
18 shall continue until the taxpayer's average monthly prepaid tax
19 collections during the preceding 4 complete calendar quarters
20 (excluding the month of highest liability and the month of
21 lowest liability) is less than \$19,000 or until such taxpayer's
22 average monthly liability to the Department as computed for
23 each calendar quarter of the 4 preceding complete calendar
24 quarters is less than \$20,000. If any such quarter monthly
25 payment is not paid at the time or in the amount required, the
26 taxpayer shall be liable for penalties and interest on such

1 difference, except insofar as the taxpayer has previously made
2 payments for that month in excess of the minimum payments
3 previously due.

4 If any payment provided for in this Section exceeds the
5 taxpayer's liabilities under this Act, the Use Tax Act, the
6 Service Occupation Tax Act and the Service Use Tax Act, as
7 shown on an original monthly return, the Department shall, if
8 requested by the taxpayer, issue to the taxpayer a credit
9 memorandum no later than 30 days after the date of payment. The
10 credit evidenced by such credit memorandum may be assigned by
11 the taxpayer to a similar taxpayer under this Act, the Use Tax
12 Act, the Service Occupation Tax Act or the Service Use Tax Act,
13 in accordance with reasonable rules and regulations to be
14 prescribed by the Department. If no such request is made, the
15 taxpayer may credit such excess payment against tax liability
16 subsequently to be remitted to the Department under this Act,
17 the Use Tax Act, the Service Occupation Tax Act or the Service
18 Use Tax Act, in accordance with reasonable rules and
19 regulations prescribed by the Department. If the Department
20 subsequently determined that all or any part of the credit
21 taken was not actually due to the taxpayer, the taxpayer's 2.1%
22 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
23 of the difference between the credit taken and that actually
24 due, and that taxpayer shall be liable for penalties and
25 interest on such difference.

26 If a retailer of motor fuel is entitled to a credit under

1 Section 2d of this Act which exceeds the taxpayer's liability
2 to the Department under this Act for the month which the
3 taxpayer is filing a return, the Department shall issue the
4 taxpayer a credit memorandum for the excess.

5 Beginning January 1, 1990, each month the Department shall
6 pay into the Local Government Tax Fund, a special fund in the
7 State treasury which is hereby created, the net revenue
8 realized for the preceding month from the 1% tax on sales of
9 food for human consumption which is to be consumed off the
10 premises where it is sold (other than alcoholic beverages, soft
11 drinks and food which has been prepared for immediate
12 consumption) and prescription and nonprescription medicines,
13 drugs, medical appliances and insulin, urine testing
14 materials, syringes and needles used by diabetics.

15 Beginning January 1, 1990, each month the Department shall
16 pay into the County and Mass Transit District Fund, a special
17 fund in the State treasury which is hereby created, 4% of the
18 net revenue realized for the preceding month from the 6.25%
19 general rate.

20 Beginning August 1, 2000, each month the Department shall
21 pay into the County and Mass Transit District Fund 20% of the
22 net revenue realized for the preceding month from the 1.25%
23 rate on the selling price of motor fuel and gasohol.

24 Beginning January 1, 1990, each month the Department shall
25 pay into the Local Government Tax Fund 16% of the net revenue
26 realized for the preceding month from the 6.25% general rate on

1 the selling price of tangible personal property.

2 Beginning August 1, 2000, each month the Department shall
3 pay into the Local Government Tax Fund 80% of the net revenue
4 realized for the preceding month from the 1.25% rate on the
5 selling price of motor fuel and gasohol.

6 Of the remainder of the moneys received by the Department
7 pursuant to this Act, (a) 1.75% thereof shall be paid into the
8 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
9 and after July 1, 1989, 3.8% thereof shall be paid into the
10 Build Illinois Fund; provided, however, that if in any fiscal
11 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
12 may be, of the moneys received by the Department and required
13 to be paid into the Build Illinois Fund pursuant to this Act,
14 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
15 Act, and Section 9 of the Service Occupation Tax Act, such Acts
16 being hereinafter called the "Tax Acts" and such aggregate of
17 2.2% or 3.8%, as the case may be, of moneys being hereinafter
18 called the "Tax Act Amount", and (2) the amount transferred to
19 the Build Illinois Fund from the State and Local Sales Tax
20 Reform Fund shall be less than the Annual Specified Amount (as
21 hereinafter defined), an amount equal to the difference shall
22 be immediately paid into the Build Illinois Fund from other
23 moneys received by the Department pursuant to the Tax Acts; the
24 "Annual Specified Amount" means the amounts specified below for
25 fiscal years 1986 through 1993:

26 Fiscal Year Annual Specified Amount

1	1986	\$54,800,000
2	1987	\$76,650,000
3	1988	\$80,480,000
4	1989	\$88,510,000
5	1990	\$115,330,000
6	1991	\$145,470,000
7	1992	\$182,730,000
8	1993	\$206,520,000;

9 and means the Certified Annual Debt Service Requirement (as
10 defined in Section 13 of the Build Illinois Bond Act) or the
11 Tax Act Amount, whichever is greater, for fiscal year 1994 and
12 each fiscal year thereafter; and further provided, that if on
13 the last business day of any month the sum of (1) the Tax Act
14 Amount required to be deposited into the Build Illinois Bond
15 Account in the Build Illinois Fund during such month and (2)
16 the amount transferred to the Build Illinois Fund from the
17 State and Local Sales Tax Reform Fund shall have been less than
18 1/12 of the Annual Specified Amount, an amount equal to the
19 difference shall be immediately paid into the Build Illinois
20 Fund from other moneys received by the Department pursuant to
21 the Tax Acts; and, further provided, that in no event shall the
22 payments required under the preceding proviso result in
23 aggregate payments into the Build Illinois Fund pursuant to
24 this clause (b) for any fiscal year in excess of the greater of
25 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
26 such fiscal year. The amounts payable into the Build Illinois

1 Fund under clause (b) of the first sentence in this paragraph
2 shall be payable only until such time as the aggregate amount
3 on deposit under each trust indenture securing Bonds issued and
4 outstanding pursuant to the Build Illinois Bond Act is
5 sufficient, taking into account any future investment income,
6 to fully provide, in accordance with such indenture, for the
7 defeasance of or the payment of the principal of, premium, if
8 any, and interest on the Bonds secured by such indenture and on
9 any Bonds expected to be issued thereafter and all fees and
10 costs payable with respect thereto, all as certified by the
11 Director of the Bureau of the Budget (now Governor's Office of
12 Management and Budget). If on the last business day of any
13 month in which Bonds are outstanding pursuant to the Build
14 Illinois Bond Act, the aggregate of moneys deposited in the
15 Build Illinois Bond Account in the Build Illinois Fund in such
16 month shall be less than the amount required to be transferred
17 in such month from the Build Illinois Bond Account to the Build
18 Illinois Bond Retirement and Interest Fund pursuant to Section
19 13 of the Build Illinois Bond Act, an amount equal to such
20 deficiency shall be immediately paid from other moneys received
21 by the Department pursuant to the Tax Acts to the Build
22 Illinois Fund; provided, however, that any amounts paid to the
23 Build Illinois Fund in any fiscal year pursuant to this
24 sentence shall be deemed to constitute payments pursuant to
25 clause (b) of the first sentence of this paragraph and shall
26 reduce the amount otherwise payable for such fiscal year

1 pursuant to that clause (b). The moneys received by the
2 Department pursuant to this Act and required to be deposited
3 into the Build Illinois Fund are subject to the pledge, claim
4 and charge set forth in Section 12 of the Build Illinois Bond
5 Act.

6 Subject to payment of amounts into the Build Illinois Fund
7 as provided in the preceding paragraph or in any amendment
8 thereto hereafter enacted, the following specified monthly
9 installment of the amount requested in the certificate of the
10 Chairman of the Metropolitan Pier and Exposition Authority
11 provided under Section 8.25f of the State Finance Act, but not
12 in excess of sums designated as "Total Deposit", shall be
13 deposited in the aggregate from collections under Section 9 of
14 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
15 9 of the Service Occupation Tax Act, and Section 3 of the
16 Retailers' Occupation Tax Act into the McCormick Place
17 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
18		
19	1993	\$0
20	1994	53,000,000
21	1995	58,000,000
22	1996	61,000,000
23	1997	64,000,000
24	1998	68,000,000
25	1999	71,000,000

1	2000	75,000,000
2	2001	80,000,000
3	2002	93,000,000
4	2003	99,000,000
5	2004	103,000,000
6	2005	108,000,000
7	2006	113,000,000
8	2007	119,000,000
9	2008	126,000,000
10	2009	132,000,000
11	2010	139,000,000
12	2011	146,000,000
13	2012	153,000,000
14	2013	161,000,000
15	2014	170,000,000
16	2015	179,000,000
17	2016	189,000,000
18	2017	199,000,000
19	2018	210,000,000
20	2019	221,000,000
21	2020	233,000,000
22	2021	246,000,000
23	2022	260,000,000
24	2023 and	275,000,000
25	each fiscal year	
26	thereafter that bonds	

1 are outstanding under
2 Section 13.2 of the
3 Metropolitan Pier and
4 Exposition Authority Act,
5 but not after fiscal year 2042.

6 Beginning July 20, 1993 and in each month of each fiscal
7 year thereafter, one-eighth of the amount requested in the
8 certificate of the Chairman of the Metropolitan Pier and
9 Exposition Authority for that fiscal year, less the amount
10 deposited into the McCormick Place Expansion Project Fund by
11 the State Treasurer in the respective month under subsection
12 (g) of Section 13 of the Metropolitan Pier and Exposition
13 Authority Act, plus cumulative deficiencies in the deposits
14 required under this Section for previous months and years,
15 shall be deposited into the McCormick Place Expansion Project
16 Fund, until the full amount requested for the fiscal year, but
17 not in excess of the amount specified above as "Total Deposit",
18 has been deposited.

19 Subject to payment of amounts into the Build Illinois Fund
20 and the McCormick Place Expansion Project Fund pursuant to the
21 preceding paragraphs or in any amendments thereto hereafter
22 enacted, beginning July 1, 1993, the Department shall each
23 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
24 the net revenue realized for the preceding month from the 6.25%
25 general rate on the selling price of tangible personal
26 property.

1 Subject to payment of amounts into the Build Illinois Fund
2 and the McCormick Place Expansion Project Fund pursuant to the
3 preceding paragraphs or in any amendments thereto hereafter
4 enacted, beginning with the receipt of the first report of
5 taxes paid by an eligible business and continuing for a 25-year
6 period, the Department shall each month pay into the Energy
7 Infrastructure Fund 80% of the net revenue realized from the
8 6.25% general rate on the selling price of Illinois-mined coal
9 that was sold to an eligible business. For purposes of this
10 paragraph, the term "eligible business" means a new electric
11 generating facility certified pursuant to Section 605-332 of
12 the Department of Commerce and Economic Opportunity Law of the
13 Civil Administrative Code of Illinois.

14 Of the remainder of the moneys received by the Department
15 pursuant to this Act, 75% thereof shall be paid into the State
16 Treasury and 25% shall be reserved in a special account and
17 used only for the transfer to the Common School Fund as part of
18 the monthly transfer from the General Revenue Fund in
19 accordance with Section 8a of the State Finance Act.

20 The Department may, upon separate written notice to a
21 taxpayer, require the taxpayer to prepare and file with the
22 Department on a form prescribed by the Department within not
23 less than 60 days after receipt of the notice an annual
24 information return for the tax year specified in the notice.
25 Such annual return to the Department shall include a statement
26 of gross receipts as shown by the retailer's last Federal

1 income tax return. If the total receipts of the business as
2 reported in the Federal income tax return do not agree with the
3 gross receipts reported to the Department of Revenue for the
4 same period, the retailer shall attach to his annual return a
5 schedule showing a reconciliation of the 2 amounts and the
6 reasons for the difference. The retailer's annual return to the
7 Department shall also disclose the cost of goods sold by the
8 retailer during the year covered by such return, opening and
9 closing inventories of such goods for such year, costs of goods
10 used from stock or taken from stock and given away by the
11 retailer during such year, payroll information of the
12 retailer's business during such year and any additional
13 reasonable information which the Department deems would be
14 helpful in determining the accuracy of the monthly, quarterly
15 or annual returns filed by such retailer as provided for in
16 this Section.

17 If the annual information return required by this Section
18 is not filed when and as required, the taxpayer shall be liable
19 as follows:

20 (i) Until January 1, 1994, the taxpayer shall be liable
21 for a penalty equal to 1/6 of 1% of the tax due from such
22 taxpayer under this Act during the period to be covered by
23 the annual return for each month or fraction of a month
24 until such return is filed as required, the penalty to be
25 assessed and collected in the same manner as any other
26 penalty provided for in this Act.

1 (ii) On and after January 1, 1994, the taxpayer shall
2 be liable for a penalty as described in Section 3-4 of the
3 Uniform Penalty and Interest Act.

4 The chief executive officer, proprietor, owner or highest
5 ranking manager shall sign the annual return to certify the
6 accuracy of the information contained therein. Any person who
7 willfully signs the annual return containing false or
8 inaccurate information shall be guilty of perjury and punished
9 accordingly. The annual return form prescribed by the
10 Department shall include a warning that the person signing the
11 return may be liable for perjury.

12 The provisions of this Section concerning the filing of an
13 annual information return do not apply to a retailer who is not
14 required to file an income tax return with the United States
15 Government.

16 As soon as possible after the first day of each month, upon
17 certification of the Department of Revenue, the Comptroller
18 shall order transferred and the Treasurer shall transfer from
19 the General Revenue Fund to the Motor Fuel Tax Fund an amount
20 equal to 1.7% of 80% of the net revenue realized under this Act
21 for the second preceding month. Beginning April 1, 2000, this
22 transfer is no longer required and shall not be made.

23 Net revenue realized for a month shall be the revenue
24 collected by the State pursuant to this Act, less the amount
25 paid out during that month as refunds to taxpayers for
26 overpayment of liability.

1 For greater simplicity of administration, manufacturers,
2 importers and wholesalers whose products are sold at retail in
3 Illinois by numerous retailers, and who wish to do so, may
4 assume the responsibility for accounting and paying to the
5 Department all tax accruing under this Act with respect to such
6 sales, if the retailers who are affected do not make written
7 objection to the Department to this arrangement.

8 Any person who promotes, organizes, provides retail
9 selling space for concessionaires or other types of sellers at
10 the Illinois State Fair, DuQuoin State Fair, county fairs,
11 local fairs, art shows, flea markets and similar exhibitions or
12 events, including any transient merchant as defined by Section
13 2 of the Transient Merchant Act of 1987, is required to file a
14 report with the Department providing the name of the merchant's
15 business, the name of the person or persons engaged in
16 merchant's business, the permanent address and Illinois
17 Retailers Occupation Tax Registration Number of the merchant,
18 the dates and location of the event and other reasonable
19 information that the Department may require. The report must be
20 filed not later than the 20th day of the month next following
21 the month during which the event with retail sales was held.
22 Any person who fails to file a report required by this Section
23 commits a business offense and is subject to a fine not to
24 exceed \$250.

25 Any person engaged in the business of selling tangible
26 personal property at retail as a concessionaire or other type

1 of seller at the Illinois State Fair, county fairs, art shows,
2 flea markets and similar exhibitions or events, or any
3 transient merchants, as defined by Section 2 of the Transient
4 Merchant Act of 1987, may be required to make a daily report of
5 the amount of such sales to the Department and to make a daily
6 payment of the full amount of tax due. The Department shall
7 impose this requirement when it finds that there is a
8 significant risk of loss of revenue to the State at such an
9 exhibition or event. Such a finding shall be based on evidence
10 that a substantial number of concessionaires or other sellers
11 who are not residents of Illinois will be engaging in the
12 business of selling tangible personal property at retail at the
13 exhibition or event, or other evidence of a significant risk of
14 loss of revenue to the State. The Department shall notify
15 concessionaires and other sellers affected by the imposition of
16 this requirement. In the absence of notification by the
17 Department, the concessionaires and other sellers shall file
18 their returns as otherwise required in this Section.

19 (Source: P.A. 94-1074, eff. 12-26-06; 95-331, eff. 8-21-07.)

20 Section 7.7. The Uniform Penalty and Interest Act is
21 amended by adding Section 3-7.7 as follows:

22 (35 ILCS 735/3-7.7 new)

23 Sec. 3-7.7. Penalty for failure to timely file a report or
24 accurately report on sales of motor fuel in the metropolitan

1 region.

2 (a) Any retailer who fails to timely file the report
3 required by Section 3 of the Retailers' Occupation Tax Act
4 concerning gross receipts from and tax properly due and paid on
5 the sale of motor fuel in the metropolitan region shall pay the
6 following penalty:

7 First occurrence \$ 250

8 Second and each occurrence thereafter \$1,000

9 (b) Any retailer who fails to accurately report the amount
10 required by Section 3 of the Retailers' Occupation Tax Act
11 concerning gross receipts from and tax properly due and paid on
12 the sale of motor fuel in the metropolitan region shall pay the
13 following penalty:

14 First occurrence \$ 250

15 Second and each occurrence thereafter \$1,000

16 (c) For purposes of this Section, "motor fuel" means that
17 term as defined in the Motor Fuel Tax Law, not including
18 aviation fuel, and "metropolitan region" means that term as
19 defined in the Regional Transportation Authority Act.

20 (d) The penalty imposed under this Section shall be deemed
21 assessed at the time of notice by the Department and shall be
22 treated for all purposes, including collection and allocation,
23 as part of the tax to which the report relates.

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

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

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

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

24 Provisions shall be made by the Board for all ~~Board~~
25 ~~members,~~ officers and employees of the Authority appointed

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

19 (b) The Board of Trustees shall consist of 11 members
20 appointed as follows: (i) 5 trustees shall be appointed by the
21 Chicago Transit Board; (ii) 3 trustees shall be appointed by an
22 organization representing the highest number of Chicago
23 Transit Authority participants; (iii) one trustee shall be
24 appointed by an organization representing the second-highest
25 number of Chicago Transit Authority participants; (iv) one
26 trustee shall be appointed by the recognized coalition

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

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

17 Each trustee shall cast individual votes, and a majority
18 vote shall be final and binding upon all interested parties,
19 provided that the Board of Trustees may require a supermajority
20 vote with respect to the investment of the assets of the
21 Retirement Plan, and may set forth that requirement in the
22 Retirement Plan documents, by-laws, or rules of the Board of
23 Trustees. Each trustee shall have the rights, privileges,
24 authority, and obligations as are usual and customary for such
25 fiduciaries.

26 The Board of Trustees may cause amounts on deposit in the

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

10 (c) All individuals who were previously participants in the
11 Retirement Plan for Chicago Transit Authority Employees shall
12 remain participants, and shall receive the same benefits
13 established by the Retirement Plan for Chicago Transit
14 Authority Employees, except as provided in this amendatory Act
15 or by subsequent legislative enactment or amendment to the
16 Retirement Plan. For Authority employees hired on or after
17 January 1, 2008, the Retirement Plan for Chicago Transit
18 Authority Employees shall be the exclusive retirement plan and
19 such employees shall not be eligible for any supplemental plan,
20 except for a deferred compensation plan funded only by employee
21 contributions.

22 For all Authority employees who are first hired on or after
23 January 1, 2008 and are participants in the Retirement Plan for
24 Chicago Transit Authority Employees, the following terms,
25 conditions and provisions with respect to retirement shall be
26 applicable:

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

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

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

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

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

9 (2) For the period ending December 31, 2039, the amount
10 paid by the Authority in any year with respect to debt service
11 on bonds issued for the purposes of funding a contribution to
12 the Retirement Plan under Section 12c of the Metropolitan
13 Transit Authority Act, other than debt service paid with the
14 proceeds of bonds or notes issued by the Authority for any year
15 after calendar year 2008, shall be treated as a credit against
16 the amount of required contribution to the Retirement Plan by
17 the Authority under subsection (e) (1) for the following year up
18 to an amount not to exceed 6% of compensation paid by the
19 Authority in that following year.

20 (3) By September 15 of each year beginning in 2009 and
21 ending on December 31, 2038, on the basis of a report prepared
22 by an enrolled actuary retained by the Plan, the Board of
23 Trustees of the Retirement Plan shall determine the estimated
24 funded ratio of the total assets of the Retirement Plan to its
25 total actuarially determined liabilities. A report containing
26 that determination and the actuarial assumptions on which it is

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

1 of an actual decline below 60%, so the funded ratio is
2 projected to reach 60% by no later than 10 years after the then
3 current year. If the Board of Trustees or the Auditor General
4 determine that an increased contribution is required to meet
5 the funded ratio required by the subsection, effective January
6 1 following the determination or 30 days after such
7 determination, whichever is later, one-third of the increased
8 contribution shall be paid by participating employees and
9 two-thirds by the Authority, in addition to the contributions
10 required by this subsection (1).

11 (4) For the period beginning 2039, the minimum contribution
12 to the Retirement Plan for each fiscal year shall be an amount
13 determined by the Board of Trustees of the Retirement Plan to
14 be sufficient to bring the total assets of the Retirement Plan
15 up to 90% of its total actuarial liabilities by the end of
16 2058. Participating employees shall be responsible for
17 one-third of the required contribution and the Authority shall
18 be responsible for two-thirds of the required contribution. In
19 making these determinations, the Board of Trustees shall
20 calculate the required contribution each year as a level
21 percentage of payroll over the years remaining to and including
22 fiscal year 2058 using the projected unit credit actuarial cost
23 method. A report containing that determination and the
24 actuarial assumptions on which it is based shall be filed by
25 September 15 of each year with the Authority, the
26 representatives of its participating employees, the Auditor

1 General of the State of Illinois and the Regional
2 Transportation Authority. If the funded ratio is projected to
3 fail to reach 90% by December 31, 2058, the Board of Trustees
4 shall also determine the increased contribution required each
5 year as a level percentage of payroll over the years remaining
6 until December 31, 2058 using the projected unit credit
7 actuarial cost method so the funded ratio will meet 90% by
8 December 31, 2058 and include that determination in its report.
9 Within 60 days after receiving the report, the Auditor General
10 shall review the determination and the assumptions on which it
11 is based and if he finds that the determination and the
12 assumptions on which it is based are unreasonable in the
13 aggregate, he shall issue a new determination of the funded
14 ratio, the assumptions on which it is based and the increased
15 contribution required each year as a level percentage of
16 payroll over the years remaining until December 31, 2058 using
17 the projected unit credit actuarial cost method so the funded
18 ratio reaches no less than 90% by December 31, 2058. If the
19 Board of Trustees or the Auditor General determine that an
20 increased contribution is required to meet the funded ratio
21 required by this subsection, effective January 1 following the
22 determination or 30 days after such determination, whichever is
23 later, one-third of the increased contribution shall be paid by
24 participating employees and two-thirds by the Authority, in
25 addition to the contributions required by subsection (e) (1).

26 (5) Beginning in 2059, the minimum contribution for each

1 year shall be the amount needed to maintain the total assets of
2 the Retirement Plan at 90% of the total actuarial liabilities
3 of the Plan, and the contribution shall be funded two-thirds by
4 the Authority and one-third by the participating employees in
5 accordance with this subsection.

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

10 (g) The Board of Trustees shall certify to the Governor,
11 the General Assembly, the Auditor General, the Board of the
12 Regional Transportation Authority, and the Authority at least
13 90 days prior to the end of each fiscal year the amount of the
14 required contributions to the retirement system for the next
15 retirement system fiscal year under this Section. The
16 certification shall include a copy of the actuarial
17 recommendations upon which it is based. In addition, copies of
18 the certification shall be sent to the Commission on Government
19 Forecasting and Accountability and the Mayor of Chicago.

20 (h) (1) As to an employee who first becomes entitled to a
21 retirement allowance commencing on or after November 30, 1989,
22 the retirement allowance shall be the amount determined in
23 accordance with the following formula:

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

1 original employment to the effective date of the Plan; plus

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

8 Provided, however that:

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

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

17 (B) One and eighty hundredths percent (1.80%) of his
18 "Average Annual Compensation in the highest four (4)
19 completed Plan Years" for each year (including fractions
20 thereof to completed calendar months) of continuous
21 service as provided for in the Retirement Plan for Chicago
22 Transit Authority Employees.

23 Provided, however that:

24 (3) As to an employee who first becomes entitled to a
25 retirement allowance commencing on or after January 1, 1994,
26 the retirement allowance shall be the amount determined in

1 accordance with the following formula:

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

6 (B) One and eighty-five hundredths percent (1.85%) of
7 his "Average Annual Compensation in the highest four (4)
8 completed Plan Years" for each year (including fractions
9 thereof to completed calendar months) of continuous
10 service as provided for in the Retirement Plan for Chicago
11 Transit Authority Employees.

12 Provided, however that:

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

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

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

1 Provided, however that:

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

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

10 (B) Two and fifteen hundredths percent (2.15%) of his
11 "Average Annual Compensation in the highest four (4)
12 completed Plan Years" for each year (including fractions
13 thereof to completed calendar months) of continuous
14 service as provided for in the Retirement Plan for Chicago
15 Transit Authority Employees.

16 The changes made by this amendatory Act of the 95th General
17 Assembly, to the extent that they affect the rights or
18 privileges of Authority employees that are currently the
19 subject of collective bargaining, have been agreed to between
20 the authorized representatives of these employees and of the
21 Authority prior to enactment of this amendatory Act, as
22 evidenced by a Memorandum of Understanding between these
23 representatives that will be filed with the Secretary of State
24 Index Department and designated as "95-GA-C05". The General
25 Assembly finds and declares that those changes are consistent
26 with 49 U.S.C. 5333(b) (also known as Section 13(c) of the

1 Federal Transit Act) because of this agreement between
2 authorized representatives of these employees and of the
3 Authority, and that any future amendments to the provisions of
4 this amendatory Act of the 95th General Assembly, to the extent
5 those amendments would affect the rights and privileges of
6 Authority employees that are currently the subject of
7 collective bargaining, would be consistent with 49 U.S.C.
8 5333(b) if and only if those amendments were agreed to between
9 these authorized representatives prior to enactment.

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

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

15 (2) For the purposes of this Section, the Funded Ratio
16 shall be the Adjusted Assets divided by the Actuarial
17 Accrued Liability developed in accordance with Statement
18 #25 promulgated by the Government Accounting Standards
19 Board and the actuarial assumptions described in the Plan.
20 The Adjusted Assets shall be calculated based on the
21 methodology described in the Plan.

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

25 ~~(b) Beginning January 1, 2009, the Authority shall make~~
26 ~~contributions to the retirement system in an amount which,~~

1 ~~together with the contributions of participants, interest~~
2 ~~earned on investments, and other income, will meet the cost of~~
3 ~~maintaining and administering the retirement plan in~~
4 ~~accordance with applicable actuarial recommendations and~~
5 ~~assumptions and the requirements of this Section. These~~
6 ~~contributions may be paid on a payroll or other periodic basis,~~
7 ~~but shall in any case be paid at least monthly.~~

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

23 ~~For purposes of determining employer contributions and~~
24 ~~actuarial liabilities under this subsection, contributions and~~
25 ~~liabilities relating to health care benefits shall not be~~
26 ~~included. As used in this Section, "retirement system fiscal~~

1 ~~year" means the calendar year, or such other plan year as may~~
2 ~~be defined from time to time in the agreement known as the~~
3 ~~Retirement Plan for Chicago Transit Authority Employees, or its~~
4 ~~successor agreement.~~

5 ~~(c) The Authority and the trustee shall jointly certify to~~
6 ~~the Governor, the General Assembly, and the Board of the~~
7 ~~Regional Transportation Authority on or before November 15 of~~
8 ~~2008 and of each year thereafter the amount of the required~~
9 ~~Authority contributions to the retirement system for the next~~
10 ~~retirement system fiscal year under subsection (b). The~~
11 ~~certification shall include a copy of the actuarial~~
12 ~~recommendations upon which it is based. In addition, copies of~~
13 ~~the certification shall be sent to the Commission on Government~~
14 ~~Forecasting and Accountability, the Mayor of Chicago, the~~
15 ~~Chicago City Council, and the Cook County Board.~~

16 ~~(d) The Authority shall take all actions lawfully available~~
17 ~~to it to separate the funding of health care benefits for~~
18 ~~retirees and their dependents and survivors from the funding~~
19 ~~for its retirement system. The Authority shall endeavor to~~
20 ~~achieve this separation as soon as possible, and in any event~~
21 ~~no later than January 1, 2009.~~

22 ~~(e) This amendatory Act of the 94th General Assembly does~~
23 ~~not affect or impair the right of either the Authority or its~~
24 ~~employees to collectively bargain the amount or level of~~
25 ~~employee contributions to the retirement system.~~

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

1 (40 ILCS 5/22-101B new)

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

3 (a) The Chicago Transit Authority (hereinafter referred to
4 in this Section as the "Authority") shall take all actions
5 lawfully available to it to separate the funding of health care
6 benefits for retirees and their dependents and survivors from
7 the funding for its retirement system. The Authority shall
8 endeavor to achieve this separation as soon as possible, and in
9 any event no later than January 1, 2009.

10 (b) Effective January 1, 2008, a Retiree Health Care Trust
11 is established for the purpose of providing health care
12 benefits to eligible retirees and their dependents and
13 survivors in accordance with the terms and conditions set forth
14 in this Section 22-101B. The Retiree Health Care Trust shall be
15 solely responsible for providing health care benefits to
16 eligible retirees and their dependents and survivors by no
17 later than January 1, 2009, but no earlier than July 1, 2008.

18 (1) The Board of Trustees shall consist of 7 members
19 appointed as follows: (i) 3 trustees shall be appointed by
20 the Chicago Transit Board; (ii) one trustee shall be
21 appointed by an organization representing the highest
22 number of Chicago Transit Authority participants; (iii)
23 one trustee shall be appointed by an organization
24 representing the second-highest number of Chicago Transit
25 Authority participants; (iv) one trustee shall be

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

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

19 Each trustee shall cast individual votes, and a
20 majority vote shall be final and binding upon all
21 interested parties, provided that the Board of Trustees may
22 require a supermajority vote with respect to the investment
23 of the assets of the Retiree Health Care Trust, and may set
24 forth that requirement in the trust agreement or by-laws of
25 the Board of Trustees. Each trustee shall have the rights,
26 privileges, authority and obligations as are usual and

1 customary for such fiduciaries.

2 (2) The Board of Trustees shall establish and
3 administer a health care benefit program for eligible
4 retirees and their dependents and survivors. The health
5 care benefit program for eligible retirees and their
6 dependents and survivors shall not contain any plan which
7 provides for more than 90% coverage for in-network services
8 or 70% coverage for out-of-network services after any
9 deductible has been paid.

10 (3) The Retiree Health Care Trust shall be administered
11 by the Board of Trustees according to the following
12 requirements:

13 (i) The Board of Trustees may cause amounts on
14 deposit in the Retiree Health Care Trust to be invested
15 in those investments that are permitted investments
16 for the investment of moneys held under any one or more
17 of the pension or retirement systems of the State, any
18 unit of local government or school district, or any
19 agency or instrumentality thereof. The Board, by a vote
20 of at least two-thirds of the trustees, may transfer
21 investment management to the Illinois State Board of
22 Investment, which is hereby authorized to manage these
23 investments when so requested by the Board of Trustees.

24 (ii) The Board of Trustees shall establish and
25 maintain an appropriate funding reserve level which
26 shall not be less than the amount of incurred and

1 unreported claims plus 12 months of expected claims and
2 administrative expenses.

3 (iii) The Board of Trustees shall make an annual
4 assessment of the funding levels of the Retiree Health
5 Care Trust and shall submit a report to the Auditor
6 General at least 90 days prior to the end of the fiscal
7 year. The report shall provide the following:

8 (A) the actuarial present value of projected
9 benefits expected to be paid to current and future
10 retirees and their dependents and survivors;

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

13 (C) the reserve required by subsection
14 (b) (3) (ii); and

15 (D) an assessment of whether the actuarial
16 present value of projected benefits expected to be
17 paid to current and future retirees and their
18 dependents and survivors exceeds or is less than
19 the actuarial present value of projected
20 contributions and trust income plus assets in
21 excess of the reserve required by subsection
22 (b) (3) (ii).

23 If the actuarial present value of projected
24 benefits expected to be paid to current and future
25 retirees and their dependents and survivors exceeds
26 the actuarial present value of projected contributions

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

17 (iv) The Auditor General shall review the report
18 and plan provided in subsection (b)(3)(iii) and issue a
19 determination within 90 days after receiving the
20 report and plan, with a copy of such determination
21 provided to the General Assembly and the Regional
22 Transportation Authority, as follows:

23 (A) In the event of a projected shortfall, if
24 the Auditor General determines that the
25 assumptions stated in the report are not
26 unreasonable in the aggregate and that the plan of

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

19 (B) In the event of a projected surplus, if the
20 Auditor General determines that the assumptions
21 stated in the report are not unreasonable in the
22 aggregate and that the plan of decreases in
23 employee, retiree, dependent, or survivor
24 contribution levels, increases in benefit levels,
25 or both, is not unreasonable in the aggregate, then
26 the Board of Trustees shall implement the plan. If

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

12 (C) The Board of Trustees shall submit an
13 alternative report and plan within 45 days after
14 receiving a rejection determination by the Auditor
15 General. A determination by the Auditor General on
16 any alternative report and plan submitted by the
17 Board of Trustees shall be made within 90 days
18 after receiving the alternative report and plan,
19 and shall be accepted or rejected according to the
20 requirements of this subsection (b) (3) (iv). The
21 Board of Trustees shall continue to submit
22 alternative reports and plans to the Auditor
23 General, as necessary, until a favorable
24 determination is made by the Auditor General.

25 (4) For any retiree who first retires effective January
26 1, 2008 or thereafter, to be eligible for retiree health

1 care benefits upon retirement, the retiree must be at least
2 55 years of age, retire with 10 or more years of continuous
3 service and satisfy the preconditions established by this
4 amendatory Act in addition to any rules or regulations
5 promulgated by the Board of Trustees. This paragraph (4)
6 shall not apply to a disability allowance.

7 (5) Effective July 1, 2008, the aggregate amount of
8 retiree, dependent and survivor contributions to the cost
9 of their health care benefits shall not exceed more than
10 45% of the total cost of such benefits. The Board of
11 Trustees shall have the discretion to provide different
12 contribution levels for retirees, dependents and survivors
13 based on their years of service, level of coverage or
14 Medicare eligibility, provided that the total contribution
15 from all retirees, dependents, and survivors shall be not
16 more than 45% of the total cost of such benefits. The term
17 "total cost of such benefits" for purposes of this
18 subsection shall be the total amount expended by the
19 retiree health benefit program in the prior plan year, as
20 calculated and certified in writing by the Retiree Health
21 Care Trust's enrolled actuary to be appointed and paid for
22 by the Board of Trustees.

23 (6) Effective January 1, 2008, all employees of the
24 Authority shall contribute to the Retiree Health Care Trust
25 in an amount not less than 3% of compensation.

26 (7) No earlier than July 1, 2008 and no later than

1 January 1, 2009 as the Retiree Health Care Trust becomes
2 solely responsible for providing health care benefits to
3 eligible retirees and their dependents and survivors in
4 accordance with subsection (b) of this Section 22-101B, the
5 Authority shall not have any obligation to provide health
6 care to current or future retirees and their dependents or
7 survivors. Employees, retirees, dependents, and survivors
8 who are required to make contributions to the Retiree
9 Health Care Trust shall make contributions at the level set
10 by the Board of Trustees pursuant to the requirements of
11 this Section 22-101B.

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

15 (70 ILCS 3605/12c new)

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

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

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

5 (b) (1) After its receipt of a certified copy of a report of
6 the Auditor General of the State of Illinois meeting the
7 requirements of Section 3-2.3 of the Illinois State Auditing
8 Act, the Authority may issue \$1,227,000,000 aggregate original
9 principal amount of bonds and notes. After payment of the costs
10 of issuance and necessary deposits to funds and accounts
11 established with respect to debt service, the net proceeds of
12 such bonds or notes shall be deposited only in the Retirement
13 Plan for Chicago Transit Authority Employees and used only for
14 the purposes required by Section 22-101 of the Illinois Pension
15 Code. Provided that no less than \$1,000,000,000 has been
16 deposited in the Retirement Plan, remaining proceeds of bonds
17 issued under this subparagraph (b) (1) may be used to pay costs
18 of issuance and make necessary deposits to funds and accounts
19 with respect to debt service for bonds and notes issued under
20 this subparagraph or subparagraph (b) (2).

21 (2) After its receipt of a certified copy of a report of
22 the Auditor General of the State of Illinois meeting the
23 requirements of Section 3-2.3 of the Illinois State Auditing
24 Act, the Authority may issue \$553,000,000 aggregate original
25 principal amount of bonds and notes. After payment of the costs
26 of issuance and necessary deposits to funds and accounts

1 established with respect to debt service, the net proceeds of
2 such bonds or notes shall be deposited only in the Retiree
3 Health Care Trust and used only for the purposes required by
4 Section 22-101B of the Illinois Pension Code. Provided that no
5 less than \$450,000,000 has been deposited in the Retiree Health
6 Care Trust, remaining proceeds of bonds issued under this
7 subparagraph (b) (2) may be used to pay costs of issuance and
8 make necessary deposits to funds and accounts with respect to
9 debt service for bonds and notes issued under this subparagraph
10 or subparagraph (b) (1).

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

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

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

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

1 (6) No bond or note issued under this Section 12c shall
2 mature later than December 31, 2039.

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

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

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

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

1 respect to obligations of the Authority issued under other
2 Sections of this Act, all as shall be provided in the
3 ordinances authorizing the issuance of the bonds or notes. The
4 ordinance authorizing the issuance of any bonds or notes under
5 this Section may provide for the creation of, deposits in, and
6 regulation and disposition of sinking fund or reserve accounts
7 relating to those bonds or notes and related agreements. The
8 ordinance authorizing the issuance of any such bonds or notes
9 authorized under this Section 12c may contain provisions for
10 the creation of a separate fund to provide for the payment of
11 principal of and interest on those bonds or notes and related
12 agreements. The ordinance may also provide limitations on the
13 issuance of additional bonds or notes of the Authority.

14 (f) Bonds or notes issued under this Section 12c shall not
15 constitute an indebtedness of the Regional Transportation
16 Authority, the State of Illinois, or of any other political
17 subdivision of or municipality within the State, except the
18 Authority.

19 (g) The ordinance of the Chicago Transit Board authorizing
20 the issuance of bonds or notes pursuant to this Section 12c may
21 provide for the appointment of a corporate trustee (which may
22 be any trust company or bank having the powers of a trust
23 company within Illinois) with respect to bonds or notes issued
24 pursuant to this Section 12c. The ordinance shall prescribe the
25 rights, duties, and powers of the trustee to be exercised for
26 the benefit of the Authority and the protection of the owners

1 of bonds or notes issued pursuant to this Section 12c. The
2 ordinance may provide for the trustee to hold in trust, invest
3 and use amounts in funds and accounts created as provided by
4 the ordinance with respect to the bonds or notes in accordance
5 with this Section 12c. The Authority may apply, as it shall
6 determine, any amounts received upon the sale of the bonds or
7 notes to pay any Debt Service on the bonds or notes. The
8 ordinance may provide for a trust indenture to set forth terms
9 of, sources of payment for and security for the bonds and
10 notes.

11 (h) The State of Illinois pledges to and agrees with the
12 owners of the bonds or notes issued pursuant to Section 12c
13 that the State of Illinois will not limit the powers vested in
14 the Authority by this Act to pledge and assign its revenues and
15 funds as security for the payment of the bonds or notes, or
16 vested in the Regional Transportation Authority by the Regional
17 Transportation Authority Act or this Act, so as to materially
18 impair the payment obligations of the Authority under the terms
19 of any contract made by the Authority with those owners or to
20 materially impair the rights and remedies of those owners until
21 those bonds or notes, together with interest and any redemption
22 premium, and all costs and expenses in connection with any
23 action or proceedings by or on behalf of such owners are fully
24 met and discharged. The Authority is authorized to include
25 these pledges and agreements of the State of Illinois in any
26 contract with owners of bonds or notes issued pursuant to this

1 Section 12c.

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

10 (j) The Authority shall adopt a procurement program with
11 respect to contracts relating to the following service
12 providers in connection with the issuance of debt for the
13 benefit of the Retirement Plan for Chicago Transit Authority
14 Employees: underwriters, bond counsel, financial advisors, and
15 accountants. The program shall include goals for the payment of
16 not less than 30% of the total dollar value of the fees from
17 these contracts to minority owned businesses and female owned
18 businesses as defined in the Business Enterprise for
19 Minorities, Females, and Persons with Disabilities Act. The
20 Authority shall conduct outreach to minority owned businesses
21 and female owned businesses. Outreach shall include, but is not
22 limited to, advertisements in periodicals and newspapers,
23 mailings, and other appropriate media. The Authority shall
24 submit to the General Assembly a comprehensive report that
25 shall include, at a minimum, the details of the procurement
26 plan, outreach efforts, and the results of the efforts to

1 achieve goals for the payment of fees. The service providers
2 selected by the Authority pursuant to such program shall not be
3 subject to approval by the Regional Transportation Authority,
4 and the Regional Transportation Authority's approval pursuant
5 to subsection (e) of this Section 12c related to the issuance
6 of debt shall not be based in any way on the service providers
7 selected by the Authority pursuant to this Section.

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

16 (70 ILCS 3605/15) (from Ch. 111 2/3, par. 315)

17 Sec. 15. The Authority shall have power to apply for and
18 accept grants and loans from the Federal Government or any
19 agency or instrumentality thereof, from the State, or from any
20 county, municipal corporation or other political subdivision
21 of the State to be used for any of the purposes of the
22 Authority, including, but not by way of limitation, grants and
23 loans in aid of mass transportation and for studies in mass
24 transportation, and may provide matching funds when necessary
25 to qualify for such grants or loans. The Authority may enter

1 into any agreement with the Federal Government, the State, and
2 any county, municipal corporation or other political
3 subdivision of the State in relation to such grants or loans;
4 provided that such agreement does not conflict with any of the
5 provisions of any trust agreement securing the payment of bonds
6 or certificates of the Authority.

7 The Authority may also accept from the state, or from any
8 county or other political subdivision, or from any municipal
9 corporation, or school district, or school authorities, grants
10 or other funds authorized by law to be paid to the Authority
11 for any of the purposes of this Act.

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

13 (70 ILCS 3605/28a) (from Ch. 111 2/3, par. 328a)

14 Sec. 28a. (a) The Board may deal with and enter into
15 written contracts with the employees of the Authority through
16 accredited representatives of such employees or
17 representatives of any labor organization authorized to act for
18 such employees, concerning wages, salaries, hours, working
19 conditions and pension or retirement provisions; provided,
20 nothing herein shall be construed to permit hours of labor in
21 excess of those provided by law or to permit working conditions
22 prohibited by law. In case of dispute over wages, salaries,
23 hours, working conditions, or pension or retirement provisions
24 the Board may arbitrate any question or questions and may agree
25 with such accredited representatives or labor organization

1 that the decision of a majority of any arbitration board shall
2 be final, provided each party shall agree in advance to pay
3 half of the expense of such arbitration.

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

15 (b)(1) The provisions of this paragraph (b) apply to
16 collective bargaining agreements (including extensions and
17 amendments of existing agreements) entered into on or after
18 January 1, 1984.

19 (2) The Board shall deal with and enter into written
20 contracts with their employees, through accredited
21 representatives of such employees authorized to act for such
22 employees concerning wages, salaries, hours, working
23 conditions, and pension or retirement provisions about which a
24 collective bargaining agreement has been entered prior to the
25 effective date of this amendatory Act of 1983. Any such
26 agreement of the Authority shall provide that the agreement may

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

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

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

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

17 (70 ILCS 3605/34) (from Ch. 111 2/3, par. 334)

18 Sec. 34. Budget and Program. The Authority, subject to the
19 powers of the Regional Transportation Authority in Section 4.11
20 of the Regional Transportation Authority Act, shall control the
21 finances of the Authority. It shall by ordinance appropriate
22 money to perform the Authority's purposes and provide for
23 payment of debts and expenses of the Authority. Each year the
24 Authority shall prepare and publish a comprehensive annual
25 budget and five-year capital program document, and a financial

1 plan for the 2 years thereafter describing the state of the
2 Authority and presenting for the forthcoming fiscal year and
3 the two following years the Authority's plans for such
4 operations and capital expenditures as it intends to undertake
5 and the means by which it intends to finance them. The proposed
6 budget, ~~and financial plan,~~ and five-year capital program shall
7 be based on the Regional Transportation Authority's estimate of
8 funds to be made available to the Authority by or through the
9 Regional Transportation Authority and shall conform in all
10 respects to the requirements established by the Regional
11 Transportation Authority. The proposed ~~program and budget,~~
12 financial plan, and five-year capital program shall contain a
13 statement of the funds estimated to be on hand at the beginning
14 of the fiscal year, the funds estimated to be received from all
15 sources for such year and the funds estimated to be on hand at
16 the end of such year. ~~After adoption of the Regional~~
17 ~~Transportation Authority's first Five Year Program, as~~
18 ~~provided in Section 2.01 of the Regional Transportation~~
19 ~~Authority Act, the proposed program and budget shall~~
20 ~~specifically identify any respect in which the recommended~~
21 ~~program deviates from the Regional Transportation Authority's~~
22 ~~then existing Five Year Program, giving the reasons for such~~
23 ~~deviation.~~ The proposed ~~program and budget,~~ financial plan, and
24 five-year capital program shall be available at no cost for
25 public inspection at the Authority's main office and at the
26 Regional Transportation Authority's main office at least 3

1 weeks prior to any public hearing. Before the proposed budget,
2 ~~and program and~~ financial plan, and five-year capital program
3 are submitted to the Regional Transportation Authority, the
4 Authority shall hold at least one public hearing thereon in
5 each of the counties in which the Authority provides service.
6 All Board members of the Authority shall attend a majority of
7 the public hearings unless reasonable cause is given for their
8 absence. After the public hearings, the Board of the Authority
9 shall hold at least one meeting for consideration of the
10 proposed program and budget with the Cook County Board. After
11 conducting such hearings and holding such meetings and after
12 making such changes in the proposed ~~program and~~ budget,
13 financial plan, and five-year capital program as the Board
14 deems appropriate, it shall adopt an annual budget ordinance at
15 least by November 15th preceding the beginning of each fiscal
16 year. The budget, ~~and program, and~~ financial plan, and
17 five-year capital program shall then be submitted to the
18 Regional Transportation Authority as provided in Section 4.11
19 of the Regional Transportation Authority Act. In the event that
20 the Board of the Regional Transportation Authority determines
21 that the budget, ~~and program, and~~ financial plan, and five-year
22 capital program do not meet the standards of said Section 4.11,
23 the Board of the Authority shall make such changes as are
24 necessary to meet such requirements and adopt an amended budget
25 ordinance. The amended budget ordinance shall be resubmitted to
26 the Regional Transportation Authority pursuant to said Section

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

11 The budget shall:

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

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

21 (iii) provide for a level of fares or charges and
22 operating or administrative costs for the public
23 transportation provided by or subject to the jurisdiction
24 of the Board sufficient to allow the Board to meet its
25 required system generated revenue recovery ratio as
26 determined in accordance with subsection (a) of Section

1 4.11 of the Regional Transportation Authority Act;

2 (iv) be based upon and employ assumptions and
3 projections which are reasonable and prudent;

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

7 (vi) meet such other financial, budgetary, or fiscal
8 requirements that the Board of the Regional Transportation
9 Authority may by rule or regulation establish; and -

10 (vii) be consistent with the goals and objectives
11 adopted by the Regional Transportation Authority in the
12 Strategic Plan.

13 The Board shall establish a fiscal operating year. At least
14 thirty days prior to the beginning of the first full fiscal
15 year after the creation of the Authority, and annually
16 thereafter, the Board shall cause to be prepared a tentative
17 budget which shall include all operation and maintenance
18 expense for the ensuing fiscal year. The tentative budget shall
19 be considered by the Board and, subject to any revision and
20 amendments as may be determined, shall be adopted prior to the
21 first day of the ensuing fiscal year as the budget for that
22 year. No expenditures for operations and maintenance in excess
23 of the budget shall be made during any fiscal year except by
24 the affirmative vote of at least five members of the Board. It
25 shall not be necessary to include in the annual budget any
26 statement of necessary expenditures for pensions or retirement

1 annuities, or for interest or principal payments on bonds or
2 certificates, or for capital outlays, but it shall be the duty
3 of the Board to make provision for payment of same from
4 appropriate funds. The Board may not alter its fiscal year
5 without the prior approval of the Board of the Regional
6 Transportation Authority.

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

8 (70 ILCS 3605/46) (from Ch. 111 2/3, par. 346)

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

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

24 (70 ILCS 3605/50 new)

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

21 The Authority shall establish and maintain a program
22 designed to promote equal employment opportunity. Each year, no
23 later than October 1, the Authority shall report to the General
24 Assembly on the number of employees of the Authority and the
25 number of employees who have designated themselves as members
26 of a minority group and gender.

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

10 Section 17. The Local Mass Transit District Act is amended
11 by changing Section 3.1 as follows:

12 (70 ILCS 3610/3.1) (from Ch. 111 2/3, par. 353.1)

13 Sec. 3.1. Also in the manner provided in this Act as
14 amended, a "Local Mass Transit District" may be created with
15 boundary to enclose a unit area of contiguous land, to be known
16 as the "participating area". Such a "participating area" may be
17 organized as a district under this Act without regard to
18 boundaries of counties or other political subdivisions or
19 municipal corporations.

20 (a) Any 500 or more legal voters who are residents within
21 such "participating area" may file a petition in the circuit
22 court of the county where the proposed district or a major part
23 thereof is located, asking that the question of creating such
24 district be submitted under this Act by referendum to the

1 voters residing within the proposed district. By their power of
2 attorney signed by them and filed in the cause the petitioners
3 may authorize a committee of their number named by the
4 petitioners, to conduct and pursue the cause for them to a
5 conclusion. Such petition shall define the boundaries of the
6 proposed district, shall indicate distances to nearest mass
7 transportation lines in each direction, naming them, shall have
8 attached a fair map of the proposed district, and shall suggest
9 a name for the proposed district.

10 (b) The circuit clerk shall present to the circuit judge
11 any petition so filed in the court. The judge shall enter an
12 order of record to set a date, hour and place for judicial
13 hearing on the petition. That order shall include instructions
14 to the circuit clerk to give notice by newspaper publication to
15 be made and completed at least 20 days before the hearing is to
16 be held, in 2 or more newspapers published or circulating
17 generally among the people residing within the proposed
18 district. The circuit clerk shall prepare that notice and cause
19 such publication notice to be given as directed.

20 (c) After proof of such newspaper publication of notice has
21 been made and filed in the cause and shown to the court in full
22 accord with the prior order, the circuit judge shall hear all
23 persons who attend and so request, as to location and boundary
24 and name for the proposed district. After the hearing on such
25 petition is completed, the circuit court by an order of record,
26 shall determine and establish the location, name and boundary

1 for such proposed district, and shall order the proposition
2 submitted at an election in accordance with the general
3 election law to the voters resident within such proposed
4 district. The circuit clerk shall certify the proposition to
5 the proper election officials who shall submit the proposition
6 in accordance with the general election law.

7 (d) The county clerk shall canvass the ballots and other
8 returns from such referendum, and prepare a full certification
9 of the result and shall file same in the cause pending in the
10 circuit court. When the vote is in favor of the creation of
11 such district as determined by the court order, a true map of
12 such district shall be filed with such report in the circuit
13 court.

14 (e) When the vote is in favor of creation of such district,
15 the circuit court by an order of record shall confirm the
16 result of election. If the district is wholly contained within
17 a single county the presiding officer of the county board with
18 the advice and consent of the county board shall appoint 5
19 trustees, not more than 3 of whom shall be affiliated with the
20 same political party, to govern the district and serve one each
21 for 1, 2, 3, 4 and 5 years respectively; upon the expiration of
22 the term of a trustee who is in office on the effective date of
23 this amendatory Act of 1989, the successor shall, at the time
24 of the appointment, and thereafter at all times while serving
25 as trustee, be a resident of the Mass Transit District for
26 which such person is appointed as trustee. If a trustee removes

1 his residence to a place outside of the District, a trustee
2 shall be appointed in the same manner as herein provided to
3 take the place of the trustee who so removed his residence. If
4 however the district is located in more than one county, the
5 number of trustees who are residents of a county shall be in
6 proportion, as nearly as practicable, to the number of
7 residents of the district who reside in that county in relation
8 to the total population of the district.

9 Upon the expiration of the term of a trustee who is in
10 office on the effective date of this amendatory Act of 1975,
11 the successor shall be a resident of whichever county is
12 entitled to such representation in order to bring about the
13 proportional representation required herein, and he shall be
14 appointed by the county board of that county, or in the case of
15 a home rule county as defined by Article VII, Section 6 of the
16 Constitution of 1970, the chief executive officer of that
17 county, with the advice and consent of the county board in
18 accordance with the provisions previously enumerated.
19 Successors shall serve 5 year overlapping terms.

20 Thereafter, each trustee shall be succeeded by a resident
21 of the same county who shall be appointed by the same
22 appointing authority; however, the provisions of the preceding
23 paragraph shall apply to the appointment of the successor to
24 each trustee who is in office at the time of the publication of
25 each decennial Federal census of population.

26 (f) Upon the creation of such district, the circuit clerk

1 shall prepare and certify a copy of the final court order
2 confirming the referendum creating the district, and a
3 duplicate of the map of such district, from the record of the
4 circuit court, and shall file the same with the county clerk
5 for recording in his office as "Certificate of Incorporation"
6 for the district. The county clerk shall cause a duplicate of
7 such "Certificate of Incorporation" to be filed in the office
8 of the Secretary of State of Illinois.

9 (g) The Board of Trustees of such "Local Mass Transit
10 District" shall have and exercise all the powers and shall
11 perform all the duties of any Board of Trustees of any district
12 created under this Act, as now or hereafter amended.

13 (h) The circuit court shall require the petitioners to post
14 a surety bond for the payment of all costs and expenses of such
15 proceeding and such referendum. When a district is created, the
16 circuit court shall order the district to pay or reimburse
17 others for all such costs and expenses. The surety bond shall
18 not be released until complete receipts for all such costs and
19 expenses have been filed in the cause and fully audited by the
20 circuit and county clerks.

21 (i) If the District is wholly contained within a single
22 county, the County Board of such county may, by resolution,
23 provide that, effective upon the next appointment of a Trustee,
24 after the effective date of this amendatory Act of 1989, that
25 the Board of Trustees of such Mass Transit District shall be
26 comprised of 7 Trustees, with no more than 4 members of the

1 same political party. This Subsection shall not apply to any
2 Mass Transit District in the State which receives funding in
3 whole or in part from the Regional Transportation Authority or
4 any of its service boards.

5 (j) The Board of a district that is in existence on the
6 effective date of this amendatory Act of the 95th General
7 Assembly and whose participating area: (i) is entirely within a
8 single county; and (ii) when created, was defined by township
9 boundaries may, by an ordinance adopted by the affirmative vote
10 of a majority of the members of the Board and approved by
11 referendum, provide that the participating area of the district
12 be coterminous and expand with the boundaries of the townships
13 that originally established the district's participating area.
14 The ordinance shall not be effective until it has been
15 submitted by referendum to, and approved by, the legal voters
16 of the district and the area within the township that is not
17 within the district. The Board shall certify its ordinance and
18 the proposition to the proper election officials, who shall
19 submit the question to the voters at the next election in
20 accordance with the general election law. The proposition shall
21 be in substantially the following form:

22 "Shall the boundaries of (local mass transit district)
23 be coterminous and expand with the boundaries of
24 (townships)?"

25 Votes shall be recorded as "Yes" or "No". If a majority of
26 the electors voting on the question vote in the affirmative,

1 then the district shall be entitled to make its boundaries
2 coterminous with the boundaries of the townships regardless of
3 when the district was formed. The district's boundaries shall
4 encompass all areas located within the townships at the time
5 the ordinance becomes effective and all areas that become part
6 of the townships at a future date. Nothing in this subsection
7 shall allow expansion of a district into an area that is
8 already a part of another local mass transit district.

9 (Source: P.A. 86-472.)

10 Section 20. The Regional Transportation Authority Act is
11 amended by changing Sections 1.02, 2.01, 2.04, 2.05, 2.09,
12 2.12, 2.14, 2.18a, 2.30, 3.01, 3.03, 3.04, 3.05, 3A.10, 3A.11,
13 3A.14, 3B.02, 3B.03, 3B.05, 3B.07, 3B.09, 3B.10, 3B.11, 3B.12,
14 3B.13, 4.01, 4.02, 4.02a, 4.02b, 4.03, 4.04, 4.09, 4.11, 4.13,
15 4.14, and 5.01 and by adding Section 2.01a, 2.01b, 2.01c,
16 2.01d, 2.01e, 2.12b, 2.31, and 4.03.3 as follows:

17 (70 ILCS 3615/1.02) (from Ch. 111 2/3, par. 701.02)

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

20 (i) Public transportation is, as provided in Section 7 of
21 Article XIII of the Illinois Constitution, an essential public
22 purpose for which public funds may be expended and that Section
23 authorizes the State to provide financial assistance to units
24 of local government for distribution to providers of public

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

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

23 (iii) Because system generated receipts are not presently
24 adequate, public transportation facilities and services in the
25 northeastern area are in grave financial condition. With
26 existing methods of financing, coordination and management,

1 and relative convenience of automobiles, such public
2 transportation facilities are not providing adequate public
3 transportation to insure the public health, safety and welfare.

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

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

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

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

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

22 (iii) To meet the urgent needs of the people of the
23 metropolitan region that such an emergency be averted and to
24 provide financially sound methods of managing the provision of
25 public transportation services in the northeastern area of the
26 State, it is necessary, while maintaining and continuing the

1 existing Authority, to modify the powers and responsibilities
2 of the Authority, to reallocate responsibility for operating
3 decisions, to change the composition and appointment of the
4 Board of Directors thereof, and to immediately establish a new
5 Board of Directors.

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

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

15 (ii) To achieve the purposes of this amendatory Act of the
16 95th General Assembly, the powers and duties of the Authority
17 must be enhanced to improve overall planning and coordination,
18 to achieve an integrated and efficient regional transit system,
19 to advance the mobility of transit users, and to increase
20 financial transparency of the Authority and the Service Boards.

21 (d) ~~(e)~~ It is the purpose of this Act to provide for, aid
22 and assist public transportation in the northeastern area of
23 the State without impairing the overall quality of existing
24 public transportation by providing for the creation of a single
25 authority responsive to the people and elected officials of the
26 area and with the power and competence to develop, implement,

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

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

10 (70 ILCS 3615/2.01) (from Ch. 111 2/3, par. 702.01)

11 Sec. 2.01. General Allocation of Responsibility for Public
12 Transportation. ~~Provision of Public Transportation - Review~~
13 ~~and Program.~~

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

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

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

24 (iii) develop performance measures to inform the
25 public about the extent to which the provision of public

1 transportation in the metropolitan region meets those
2 goals, objectives, and standards;

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

6 (v) provide financial oversight of the Service Boards;
7 and

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

13 The ~~the~~ Service Boards shall, on a continuing basis
14 determine the level, nature and kind of public transportation
15 which should be provided for the metropolitan region in order
16 to meet the plans, goals, objectives, and standards adopted by
17 the Authority. The Service Boards may provide public
18 transportation by purchasing such service from transportation
19 agencies through purchase of service agreements, by grants to
20 such agencies or by operating such service, all pursuant to
21 this Act and the "Metropolitan Transit Authority Act", as now
22 or hereafter amended. Certain of its actions to implement the
23 responsibilities allocated to the Authority in this subsection
24 (a) shall be taken in 3 public documents adopted by the
25 affirmative vote of at least 12 of its then Directors: A
26 Strategic Plan; a Five-Year Capital Program; and an Annual

1 Budget and Two-Year Financial Plan. ~~The Authority shall~~
2 ~~establish a policy to provide adequate public transportation~~
3 ~~throughout the metropolitan region.~~

4 (b) The Authority shall subject the operating and capital
5 plans and expenditures of the Service Boards in the
6 metropolitan region with regard to public transportation to
7 continuing review so that the Authority may budget and expend
8 its funds with maximum effectiveness and efficiency. The
9 Authority shall conduct audits of each of the Service Boards no
10 less than every 5 years. Such audits may include management,
11 performance, financial, and infrastructure condition audits.
12 The Authority may conduct management, performance, financial,
13 and infrastructure condition audits of transportation agencies
14 that receive funds from the Authority. The Authority may direct
15 a Service Board to conduct any such audit of a transportation
16 agency that receives funds from such Service Board, and the
17 Service Board shall comply with such request to the extent it
18 has the right to do so. These audits of the Service Boards or
19 transportation agencies may be project or service specific
20 audits to evaluate their achievement of the goals and
21 objectives of that project or service and their compliance with
22 any applicable requirements. ~~Certain of its recommendations in~~
23 ~~this regard shall be set forth in 2 public documents, the~~
24 ~~Five Year Program provided for in this Section and an Annual~~
25 ~~Budget and Program provided for in Section 4.01.~~

26 ~~(c) The Authority shall, in consultation with the Service~~

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

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

24 (70 ILCS 3615/2.01a new)

25 Sec. 2.01a. Strategic Plan.

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

13 (b) The Strategic Plan shall identify goals and objectives
14 with respect to:

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

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

21 (iii) coordination of fare and transfer policies to
22 promote transfers by riders among Service Boards,
23 transportation agencies, and public transportation modes,
24 which may include goals and objectives for development of a
25 universal fare instrument that riders may use
26 interchangeably on all public transportation funded by the

1 Authority, and methods to be used to allocate revenues from
2 transfers;

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

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

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

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

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

26 (c) The Strategic Plan shall establish the process and

1 criteria by which proposals for capital improvements by a
2 Service Board or a transportation agency will be evaluated by
3 the Authority for inclusion in the Five-Year Capital Program,
4 which may include criteria for:

5 (i) allocating funds among maintenance, enhancement,
6 and expansion improvements;

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

9 (iii) projects intended to improve or enhance
10 ridership or customer service;

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

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

16 (vi) other criteria that advance the goals and
17 objectives of the Strategic Plan.

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

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

- 1 (ii) ridership data;
2 (iii) equipment failure rates;
3 (iv) employee and customer safety; and
4 (v) customer satisfaction.

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

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

21 (f) The Strategic Plan shall describe the expected
22 financial condition of public transportation in the
23 metropolitan region prospectively over a 10-year period, which
24 may include information about the cash position and all known
25 obligations of the Authority and the Service Boards including
26 operating expenditures, debt service, contributions for

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

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

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

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

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

1 2.01b and 4.02 of this Act.

2 (70 ILCS 3615/2.01b new)

3 Sec. 2.01b. The Five-Year Capital Program. By the
4 affirmative vote of at least 12 of its then Directors, the
5 Authority, after consultation with the Service Boards and after
6 holding a minimum of 3 public hearings in Cook County and one
7 public hearing in each of the other counties in the
8 metropolitan region, shall each year adopt a Five-Year Capital
9 Program that shall include each capital improvement to be
10 undertaken by or on behalf of a Service Board provided that the
11 Authority finds that the improvement meets any criteria for
12 capital improvements contained in the Strategic Plan, is not
13 inconsistent with any sub-regional or corridor plan adopted by
14 the Authority, and can be funded within amounts available with
15 respect to the capital and operating costs of such improvement.
16 In reviewing proposals for improvements to be included in a
17 Five-Year Capital Program, the Authority may give priority to
18 improvements that are intended to bring public transportation
19 facilities into a state of good repair. The Five-Year Capital
20 Program shall also identify capital improvements to be
21 undertaken by a Service Board, a transportation agency, or a
22 unit of local government and funded by the Authority from
23 amounts in the Innovation, Coordination, and Enhancement Fund,
24 provided that no improvement that is included in the Five-Year
25 Capital Program as of the effective date of this amendatory Act

1 of the 95th General Assembly may receive funding from the
2 Innovation, Coordination, and Enhancement Fund. Before
3 adopting a Five-Year Capital Program, the Authority shall
4 consult with the Chicago Metropolitan Agency for Planning
5 regarding the consistency of the Five-Year Capital Program with
6 the Regional Comprehensive Plan adopted pursuant to the
7 Regional Planning Act.

8 (70 ILCS 3615/2.01c new)

9 Sec. 2.01c. Innovation, Coordination, and Enhancement
10 Fund.

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

1 an emergency exists requiring the use of some or all of the
2 funds then in the Innovation, Coordination, and Enhancement
3 Fund, such funds may only be used to enhance the coordination
4 and integration of public transportation and develop and
5 implement innovations to improve the quality and delivery of
6 public transportation.

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

23 (70 ILCS 3615/2.01d new)

24 Sec. 2.01d. ADA Paratransit Fund. The Authority shall
25 establish an ADA Paratransit Fund and, each year, deposit into

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

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

18 (70 ILCS 3615/2.04) (from Ch. 111 2/3, par. 702.04)

19 Sec. 2.04. Fares and Nature of Service.

20 (a) Whenever a Service Board provides any public
21 transportation by operating public transportation facilities,
22 the Service Board shall provide for the level and nature of
23 fares or charges to be made for such services, and the nature
24 and standards of public transportation to be so provided that
25 meet the goals and objectives adopted by the Authority in the

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

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

23 (c) In so providing for the fares or charges and the nature
24 and standards of public transportation, any purchase of service
25 agreements or grant contracts shall provide, among other
26 matters, for the terms or cost of transfers or interconnections

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

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

22 (70 ILCS 3615/2.05) (from Ch. 111 2/3, par. 702.05)

23 Sec. 2.05. Centralized Services; Acquisition and
24 Construction.

25 (a) The Authority may at the request of two or more Service

1 Boards, serve, or designate a Service Board to serve, as a
2 centralized purchasing agent for the Service Boards so
3 requesting.

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

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

23 In connection with any construction or acquisition, the
24 Authority shall make relocation payments as may be required by
25 federal law or by the requirements of any federal agency
26 authorized to administer any federal program of aid.

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

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

12 (70 ILCS 3615/2.09) (from Ch. 111 2/3, par. 702.09)

13 Sec. 2.09. Research and Development.

14 (a) The Authority and the Service Boards shall study public
15 transportation problems and developments; encourage
16 experimentation in developing new public transportation
17 technology, financing methods, and management procedures;
18 conduct, in cooperation with other public and private agencies,
19 studies and demonstration and development projects to test and
20 develop methods for improving public transportation, for
21 reducing its costs to users or for increasing public use; and
22 conduct, sponsor, and participate in other studies and
23 experiments, which may include fare demonstration programs,
24 useful to achieving the purposes of this Act. The cost for any
25 such item authorized by this Section may be exempted by the

1 Board in a budget ordinance from the "costs" included in
2 determining that the Authority and its service boards meet the
3 farebox recovery ratio or system generated revenues recovery
4 ratio requirements of Sections 3A.10, 3B.10, 4.01(b), 4.09 and
5 4.11 of this Act and Section 34 of the Metropolitan Transit
6 Authority Act during the Authority's fiscal year which begins
7 January 1, 1986 and ends December 31, 1986, provided that the
8 cost of any item authorized herein must be specifically
9 approved within the budget adopted pursuant to Sections 4.01
10 and 4.11 of this Act for that fiscal year.

11 (b) To improve public transportation service in areas of
12 the metropolitan region with limited access to commuter rail
13 service, the Authority and the Suburban Bus Division shall
14 evaluate the feasibility of implementing new bus rapid transit
15 services using the expressway and tollway systems in the
16 metropolitan region. The Illinois Department of Transportation
17 and the Illinois Toll Highway Authority shall work
18 cooperatively with the Authority and the Suburban Bus Division
19 in that evaluation and in the implementation of bus rapid
20 transit services. The Authority and the Suburban Bus Division,
21 in cooperation with the Illinois Department of Transportation,
22 shall develop a bus rapid transit demonstration project on
23 Interstate 55 located in Will, DuPage, and Cook counties. This
24 demonstration project shall test and refine approaches to bus
25 rapid transit operations in the expressway or tollway shoulder
26 or regular travel lanes and shall investigate technology

1 options that facilitate the shared use of the transit lane and
2 provide revenue for financing construction and operation of
3 public transportation facilities.

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

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

11 (70 ILCS 3615/2.12) (from Ch. 111 2/3, par. 702.12)

12 Sec. 2.12. Coordination with Planning Agencies. The
13 Authority and the Service Boards shall cooperate with the
14 various public agencies charged with responsibility for
15 long-range or comprehensive planning for the metropolitan
16 region. The Authority shall utilize the official forecasts and
17 plans of the Chicago Metropolitan Agency for Planning in
18 developing the Strategic Plan and the Five-Year Capital
19 Program. The Authority and the Service Boards shall, prior to
20 the adoption of any Strategic Plan, as provided in Section
21 2.01a of this Act, or the adoption of any Five-Year Capital
22 Program, as provided in ~~paragraph (b) of~~ Section 2.01b ~~2.01~~ of
23 this Act, submit its proposals to such agencies for review and
24 comment. The Authority and the Service Boards may make use of
25 existing studies, surveys, plans, data and other materials in

1 the possession of any State agency or department, any planning
2 agency or any unit of local government.

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

4 (70 ILCS 3615/2.12b new)

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

1 determination upon the goals and objectives of the Strategic
2 Plan established pursuant to Section 2.01a(b). Such
3 determination shall be presented to the Board of the Authority
4 and, if approved by the affirmative vote of at least 9 of the
5 then Directors of the Authority, shall be final and shall be
6 implemented by any affected Service Board and transportation
7 agency within the time frame required by the determination.

8 (70 ILCS 3615/2.14) (from Ch. 111 2/3, par. 702.14)

9 Sec. 2.14. Appointment of Officers and Employees. The
10 Authority may appoint, retain and employ officers, attorneys,
11 agents, engineers and employees. The officers shall include an
12 Executive Director, who shall be the chief executive officer of
13 the Authority, appointed by the Chairman with the concurrence
14 of 11 ~~9~~ of the other then Directors of the Board. The Executive
15 Director shall organize the staff of the Authority, shall
16 allocate their functions and duties, shall transfer such staff
17 to the Suburban Bus Division and the Commuter Rail Division as
18 is sufficient to meet their purposes, shall fix compensation
19 and conditions of employment of the staff of the Authority, and
20 consistent with the policies of and direction from the Board,
21 take all actions necessary to achieve its purposes, fulfill its
22 responsibilities and carry out its powers, and shall have such
23 other powers and responsibilities as the Board shall determine.
24 The Executive Director must be an individual of proven
25 transportation and management skills and may not be a member of

1 the Board. The Authority may employ its own professional
2 management personnel to provide professional and technical
3 expertise concerning its purposes and powers and to assist it
4 in assessing the performance of the Service Boards in the
5 metropolitan region.

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

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

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

24 (70 ILCS 3615/2.18a) (from Ch. 111 2/3, par. 702.18a)

25 Sec. 2.18a. (a) The provisions of this Section apply to

1 collective bargaining agreements (including extensions and
2 amendments to existing agreements) between Service Boards or
3 transportation agencies subject to the jurisdiction of Service
4 Boards and their employees, which are entered into after
5 January 1, 1984.

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

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

14 (70 ILCS 3615/2.30)

15 Sec. 2.30. Paratransit services.

16 (a) For purposes of this Act, "ADA paratransit services"
17 shall mean those comparable or specialized transportation
18 services provided by, or under grant or purchase of service
19 contracts of, the Service Boards to individuals with
20 disabilities who are unable to use fixed route transportation
21 systems and who are determined to be eligible, for some or all
22 of their trips, for such services under the Americans with
23 Disabilities Act of 1990 and its implementing regulations.

24 (b) Beginning July 1, 2005, the Authority is responsible
25 for the funding, from amounts on deposit in the ADA Paratransit

1 Fund established under Section 2.01d of this Act, financial
2 review and oversight of all ADA paratransit services that are
3 provided by the Authority or by any of the Service Boards. The
4 Suburban Bus Board shall operate or provide for the operation
5 of all ADA paratransit services by no later than July 1, 2006,
6 except that this date may be extended to the extent necessary
7 to obtain approval from the Federal Transit Administration of
8 the plan prepared pursuant to subsection (c).

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

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

5 (2) transfer the appropriate ADA paratransit services,
6 management, personnel, service contracts and assets from
7 the Chicago Transit Authority to the Authority or the
8 Suburban Bus Board, as necessary, by no later than July 1,
9 2006, except that this date may be extended to the extent
10 necessary to obtain approval from the Federal Transit
11 Administration of the plan prepared pursuant to this
12 subsection (c);

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

21 (4) provide that service contracts and rates, entered
22 into or set after the approval by the Federal Transit
23 Administration of the plan prepared pursuant to subsection
24 (c) of this Section, with private carriers and taxicabs for
25 ADA paratransit service are procured by means of an open
26 procurement process;

1 (5) provide for fares, fare collection and billing
2 procedures for ADA paratransit services throughout the
3 metropolitan region;

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

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

13 (8) provide for a system of dispatch of ADA paratransit
14 services transportation carriers throughout the
15 metropolitan region, with consideration of county-based
16 dispatch systems already in place as of the effective date
17 of this amendatory Act;

18 (9) provide for a process of determining eligibility
19 for ADA paratransit services that complies with the
20 Americans with Disabilities Act of 1990 and its
21 implementing regulations;

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

24 (11) provide for the creation of one or more ADA
25 advisory boards, or the reconstitution of the existing ADA
26 advisory boards for the Service Boards, to represent the

1 diversity of individuals with disabilities in the
2 metropolitan region and to provide appropriate ongoing
3 input from individuals with disabilities into the
4 operation of ADA paratransit services.

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

16 (e) The Illinois Department of Transportation, the
17 Illinois Department of Public Aid, the Authority, the Suburban
18 Bus Board and the Chicago Transit Authority shall enter into
19 intergovernmental agreements as may be necessary to provide
20 funding and accountability for, and implementation of, the
21 requirements of this Section.

22 (f) By no later than April 1, 2007, the Authority shall
23 develop and submit to the General Assembly and the Governor a
24 funding plan for ADA paratransit services. Approval of such
25 plan by the Authority shall require the affirmative votes of 12
26 \varnothing of the then Directors. The funding plan shall, at a minimum,

1 contain an analysis of the current costs of providing ADA
2 paratransit services, projections of the long-term costs of
3 providing ADA paratransit services, identification of and
4 recommendations for possible cost efficiencies in providing
5 ADA paratransit services, and identification of and
6 recommendations for possible funding sources for providing ADA
7 paratransit services. The Illinois Department of
8 Transportation, the Illinois Department of Public Aid, the
9 Suburban Bus Board, the Chicago Transit Authority and other
10 State and local public agencies as appropriate shall cooperate
11 with the Authority in the preparation of such funding plan.

12 (g) Any funds derived from the federal Medicaid program for
13 reimbursement of the costs of providing ADA paratransit
14 services within the metropolitan region shall be directed to
15 the Authority and shall be used to pay for or reimburse the
16 costs of providing such services.

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

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

21 (70 ILCS 3615/2.31 new)

22 Sec. 2.31. Disadvantaged Business Enterprise Contracting
23 and Equal Employment Opportunity Programs. The Authority and
24 each Service Board shall, as soon as is practicable but in no
25 event later than two years after the effective date of this

1 amendatory Act of the 95th General Assembly, establish and
2 maintain a disadvantaged business enterprise contracting
3 program designed to ensure non-discrimination in the award and
4 administration of contracts not covered under a federally
5 mandated disadvantaged business enterprise program. The
6 program shall establish narrowly tailored goals for the
7 participation of disadvantaged business enterprises as the
8 Authority and each Service Board determines appropriate. The
9 goals shall be based on demonstrable evidence of the
10 availability of ready, willing, and able disadvantaged
11 business enterprises relative to all businesses ready,
12 willing, and able to participate on the program's contracts.
13 The program shall require the Authority and each Service Board
14 to monitor the progress of the contractors' obligations with
15 respect to the program's goals. Nothing in this program shall
16 conflict with or interfere with the maintenance or operation
17 of, or compliance with, any federally mandated disadvantaged
18 business enterprise program.

19 The Authority and each Service Board shall establish and
20 maintain a program designed to promote equal employment
21 opportunity. Each year, no later than October 1, the Authority
22 and each Service Board shall report to the General Assembly on
23 the number of their respective employees and the number of
24 their respective employees who have designated themselves as
25 members of a minority group and gender.

26 Each year no later than October 1, and starting no later

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

10 (70 ILCS 3615/3.01) (from Ch. 111 2/3, par. 703.01)

11 Sec. 3.01. Board of Directors. ~~The~~ ~~Upon expiration of the~~
12 ~~term of the members of the Transition Board as provided for in~~
13 ~~Section 3.09, the~~ corporate authorities and governing body of
14 the Authority shall be a Board consisting of 13 Directors until
15 January 1, 2008, and 16 Directors thereafter, appointed as
16 follows:

17 (a) Four Directors appointed by the Mayor of the City of
18 Chicago, with the advice and consent of the City Council of the
19 City of Chicago, and, only until January 1, 2008, a fifth
20 director who shall be the Chairman of the Chicago Transit
21 Authority. After January 1, 2008, the Mayor of the City of
22 Chicago, with the advice and consent of the City Council of the
23 City of Chicago, shall appoint a fifth Director. The Directors
24 appointed by the Mayor of the City of Chicago shall not be the
25 chairman or a director of the Chicago Transit Authority. Each

1 such Director shall reside in the City of Chicago ~~except the~~
2 ~~Chairman of the Chicago Transit Authority who shall reside~~
3 ~~within the metropolitan area as defined in the Metropolitan~~
4 ~~Transit Authority Act.~~

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

17 (c) Until January 1, 2008, 3 Directors appointed by the
18 Chairmen of the county boards of DuPage, Kane, Lake, McHenry,
19 and Will Counties, as follows:

20 (i) Two Directors appointed by the Chairmen of the
21 county boards of Kane, Lake, McHenry and Will Counties,
22 with the concurrence of not less than a majority of the
23 Chairmen from such counties, from nominees by the Chairmen.
24 Each such Chairman may nominate not more than 2 persons for
25 each position. Each such Director shall reside in a county
26 in the metropolitan region other than Cook or DuPage

1 Counties.

2 (ii) ~~(d)~~ One Director ~~shall be~~ appointed by the
3 Chairman of the ~~Board of~~ DuPage County Board with the
4 advice and consent of the ~~County Board of~~ DuPage County
5 Board. Such Director ~~and~~ shall reside in DuPage County.

6 (d) After January 1, 2008, 5 Directors appointed by the
7 Chairmen of the county boards of DuPage, Kane, Lake and McHenry
8 Counties and the County Executive of Will County, as follows:

9 (i) One Director appointed by the Chairman of the Kane
10 County Board with the advice and consent of the Kane County
11 Board. Such Director shall reside in Kane County.

12 (ii) One Director appointed by the County Executive of
13 Will County with the advice and consent of the Will County
14 Board. Such Director shall reside in Will County.

15 (iii) One Director appointed by the Chairman of the
16 DuPage County Board with the advice and consent of the
17 DuPage County Board. Such Director shall reside in DuPage
18 County.

19 (iv) One Director appointed by the Chairman of the Lake
20 County Board with the advice and consent of the Lake County
21 Board. Such Director shall reside in Lake County.

22 (v) One Director appointed by the Chairman of the
23 McHenry County Board with the advice and consent of the
24 McHenry County Board. Such Director shall reside in McHenry
25 County.

26 (vi) To implement the changes in appointing authority

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

10 (e) The Chairman serving on the effective date of this
11 amendatory Act of the 95th General Assembly shall continue to
12 serve as Chairman until the expiration of his or her term of
13 office and until his or her successor is appointed and
14 qualified or a vacancy occurs in the office ~~Before January 1,~~
15 ~~1987, for the term expiring July 1, 1989, the Chairman shall be~~
16 ~~appointed by the Governor. Thereafter the Chairman shall be~~
17 ~~appointed by the other 12 Directors with the concurrence of~~
18 ~~three fourths of such Directors.~~ Upon the expiration or vacancy
19 of the term of the Chairman then serving upon the effective
20 date of this amendatory Act of the 95th General Assembly, the
21 Chairman shall be appointed by the other Directors, by the
22 affirmative vote of at least 11 of the then Directors, with at
23 least 2 affirmative votes from Directors who reside in the City
24 of Chicago, at least 2 affirmative votes from Directors who
25 reside in Cook County outside the City of Chicago, and at least
26 2 affirmative votes from Directors who reside in the Counties

1 of DuPage, Lake, Will, Kane, or McHenry. The chairman shall not
2 be appointed from among the other Directors. The chairman shall
3 be a resident of the metropolitan region.

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

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

22 (h) (Blank). ~~The Board of Directors shall be so appointed~~
23 ~~as to represent the City of Chicago, that part of Cook County~~
24 ~~outside the City of Chicago, and that part of the metropolitan~~
25 ~~region outside Cook County on the one man one vote basis. After~~
26 ~~each Federal decennial census the General Assembly shall review~~

1 ~~the composition of the Board and, if a change is needed to~~
2 ~~comply with this requirement, shall provide for the necessary~~
3 ~~revision by July 1 of the third year after such census.~~
4 ~~Provided, however, that the Chairman of the Chicago Transit~~
5 ~~Authority shall be a Director of the Authority and shall be~~
6 ~~considered as representing the City of Chicago for purposes of~~
7 ~~this paragraph.~~

8 ~~Insofar as may be practicable, the changes in Board~~
9 ~~membership necessary to achieve this purpose shall take effect~~
10 ~~as appropriate members terms expire, no member's term being~~
11 ~~reduced by reason of such revision of the composition of the~~
12 ~~Board.~~

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

14 (70 ILCS 3615/3.03) (from Ch. 111 2/3, par. 703.03)

15 Sec. 3.03. Terms, vacancies. Each Director, ~~including the~~
16 ~~Chairman, shall be appointed for an initial term as provided~~
17 ~~for in Section 3.10 of this Act. Thereafter, each Director~~
18 shall hold office for a term of 5 years, and until his
19 successor has been appointed and has qualified. A vacancy shall
20 occur upon resignation, death, conviction of a felony, or
21 removal from office of a Director. Any Director may be removed
22 from office upon concurrence of not less than 11 ~~9~~ Directors,
23 on a formal finding of incompetence, neglect of duty, or
24 malfeasance in office. Within 30 days after the office of any
25 member becomes vacant for any reason, the appointing

1 authorities of such member shall make an appointment to fill
2 the vacancy. A vacancy shall be filled for the unexpired term.

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

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

13 (70 ILCS 3615/3.04) (from Ch. 111 2/3, par. 703.04)

14 Sec. 3.04. Compensation. Each Director, excluding
15 ~~including~~ the Chairman, ~~except for the Chairman of the Chicago~~
16 ~~Transit Authority who shall not be compensated by the~~
17 ~~Authority,~~ shall be compensated at the rate of \$25,000 per
18 year. The Chairman shall be compensated at the rate of \$50,000
19 per year.

20 Officers of the Authority shall not be required to comply
21 with the requirements of "An Act requiring certain custodians
22 of public moneys to file and publish statements of the receipts
23 and disbursements thereof", approved June 24, 1919, as now or
24 hereafter amended.

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

1 (70 ILCS 3615/3.05) (from Ch. 111 2/3, par. 703.05)

2 Sec. 3.05. Meetings. The Board shall prescribe the times
3 and places for meetings and the manner in which special
4 meetings may be called. The Board shall comply in all respects
5 with the "Open Meetings Act", approved July 11, 1957, as now or
6 hereafter amended. All records, documents and papers of the
7 Authority, other than those relating to matters concerning
8 which closed sessions of the Board may be held, shall be
9 available for public examination, subject to such reasonable
10 regulations as the Board may adopt.

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

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

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

21 (70 ILCS 3615/3A.10) (from Ch. 111 2/3, par. 703A.10)

22 Sec. 3A.10. Budget and Program. The Suburban Bus Board,
23 subject to the powers of the Authority in Section 4.11, shall
24 control the finances of the Division. It shall by ordinance

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

1 ~~and program and~~ financial plan, and five-year capital program
2 are submitted to the Authority, the Suburban Bus Board shall
3 hold at least one public hearing thereon in each of the
4 counties in the metropolitan region in which the Division
5 provides service. The Suburban Bus Board shall hold at least
6 one meeting for consideration of the proposed ~~program and~~
7 budget, financial plan, and five-year capital program with the
8 county board of each of the several counties in the
9 metropolitan region in which the Division provides service.
10 After conducting such hearings and holding such meetings and
11 after making such changes in the proposed ~~program and~~ budget, l
12 financial plan, and five-year capital program as the Suburban
13 Bus Board deems appropriate, it shall adopt an annual budget
14 ordinance at least by November 15 next preceding the beginning
15 of each fiscal year. The budget, ~~and program, and~~ financial
16 plan, and five-year capital program shall then be submitted to
17 the Authority as provided in Section 4.11. In the event that
18 the Board of the Authority determines that the budget ~~and~~
19 ~~program,~~ and financial plan do not meet the standards of
20 Section 4.11, the Suburban Bus Board shall make such changes as
21 are necessary to meet such requirements and adopt an amended
22 budget ordinance. The amended budget ordinance shall be
23 resubmitted to the Authority pursuant to Section 4.11. The
24 ordinance shall appropriate such sums of money as are deemed
25 necessary to defray all necessary expenses and obligations of
26 the Division, specifying purposes and the objects or programs

1 for which appropriations are made and the amount appropriated
2 for each object or program. Additional appropriations,
3 transfers between items and other changes in such ordinance
4 which do not alter the basis upon which the balanced budget
5 determination was made by the Board of the Authority may be
6 made from time to time by the Suburban Bus Board.

7 The budget shall:

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

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

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

25 (iv) be based upon and employ assumptions and
26 projections which are reasonable and prudent;

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

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

7 (vii) be consistent with the goals and objectives
8 adopted by the Regional Transportation Authority in the
9 Strategic Plan.

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

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

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

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

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

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

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

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

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

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

1 Authority for its approval in like manner.

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

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

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

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

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

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

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

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

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

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

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

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, Niles, 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~~
25 of 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(d) 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 3615/4.01) (from Ch. 111 2/3, par. 704.01)

6 Sec. 4.01. Budget and Program.

7 (a) The Board shall control the finances of the Authority.
8 It shall by ordinance adopted by the affirmative vote of at
9 least 12 of its then Directors (i) appropriate money to perform
10 the Authority's purposes and provide for payment of debts and
11 expenses of the Authority, (ii) take action with respect to the
12 budget and two-year financial plan of each Service Board, as
13 provided in Section 4.11, and (iii) adopt an Annual Budget and
14 Two-Year Financial Plan for the Authority that includes the
15 annual budget and two-year financial plan of each Service Board
16 that has been approved by the Authority. ~~Each year the~~
17 ~~Authority shall prepare and publish a comprehensive annual~~
18 ~~budget and program document describing the state of the~~
19 ~~Authority and presenting for the forthcoming fiscal year the~~
20 ~~Authority's plans for such operations and capital expenditures~~
21 ~~as the Authority intends to undertake and the means by which it~~
22 ~~intends to finance them.~~ The Annual Budget and Two-Year
23 Financial Plan ~~proposed program and budget~~ shall contain a
24 statement of the funds estimated to be on hand for the
25 Authority and each Service Board at the beginning of the fiscal

1 year, the funds estimated to be received from all sources for
2 such year, the estimated expenses and obligations of the
3 Authority and each Service Board for all purposes, including
4 expenses for contributions to be made with respect to pension
5 and other employee benefits, and the funds estimated to be on
6 hand at the end of such year. ~~After adoption of the Authority's~~
7 ~~first Five Year Program, as provided in Section 2.01 of this~~
8 ~~Act, the proposed program and budget shall specifically~~
9 ~~identify any respect in which the recommended program deviates~~
10 ~~from the Authority's then existing Five Year Program, giving~~
11 ~~the reasons for such deviation.~~ The fiscal year of the
12 Authority and each Service Board shall begin on January 1st and
13 end on the succeeding December 31st ~~except that the fiscal year~~
14 ~~that began October 1, 1982, shall end December 31, 1983.~~ By
15 ~~July 1st 1981 and~~ July 1st of each year ~~thereafter~~ the Director
16 of the Illinois Governor's Office of Management and Budget
17 (formerly Bureau of the Budget) shall submit to the Authority
18 an estimate of revenues for the next fiscal year of the
19 Authority to be collected from the taxes imposed by the
20 Authority and the amounts to be available in the Public
21 Transportation Fund and the Regional Transportation Authority
22 Occupation and Use Tax Replacement Fund and the amounts
23 otherwise to be appropriated by the State to the Authority for
24 its purposes. The Authority shall file a copy of its Annual
25 Budget and Two-Year Financial Plan with ~~For the fiscal year~~
26 ~~ending on December 31, 1983, the Board shall report its results~~

1 ~~from operations and financial condition to the General Assembly~~
2 ~~and the Governor by January 31. For the fiscal year beginning~~
3 ~~January 1, 1984, and thereafter, the budget and program shall~~
4 ~~be presented to the General Assembly and the Governor~~ after its
5 adoption ~~not later than the preceding December 31st.~~ Before the
6 proposed Annual Budget and Two-Year Financial Plan ~~budget and~~
7 ~~program~~ is adopted, the Authority shall hold at least one
8 public hearing thereon in the metropolitan region, and shall
9 meet . ~~The Board shall hold at least one meeting for~~
10 ~~consideration of the proposed program and budget~~ with the
11 county board or its designee of each of the several counties in
12 the metropolitan region. After conducting such hearings and
13 holding such meetings and after making such changes in the
14 proposed Annual Budget and Two-Year Financial Plan ~~program and~~
15 ~~budget~~ as the Board deems appropriate, the Board shall adopt
16 its annual appropriation and Annual Budget and Two-Year
17 Financial Plan ~~budget~~ ordinance. The ordinance may be adopted
18 only upon the affirmative votes of 12 ~~9~~ of its then Directors.
19 The ordinance shall appropriate such sums of money as are
20 deemed necessary to defray all necessary expenses and
21 obligations of the Authority, specifying purposes and the
22 objects or programs for which appropriations are made and the
23 amount appropriated for each object or program. Additional
24 appropriations, transfers between items and other changes in
25 such ordinance may be made from time to time by the Board upon
26 the affirmative votes of 12 ~~9~~ of its then Directors.

1 (b) The Annual Budget and Two-Year Financial Plan ~~budget~~
2 shall show a balance between anticipated revenues from all
3 sources and anticipated expenses including funding of
4 operating deficits or the discharge of encumbrances incurred in
5 prior periods and payment of principal and interest when due,
6 and shall show cash balances sufficient to pay with reasonable
7 promptness all obligations and expenses as incurred.

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

10 (i) that the level of fares and charges for mass
11 transportation provided by, or under grant or purchase of
12 service contracts of, the Service Boards is sufficient to
13 cause the aggregate of all projected fare revenues from
14 such fares and charges received in each fiscal year to
15 equal at least 50% of the aggregate costs of providing such
16 public transportation in such fiscal year. "Fare revenues"
17 include the proceeds of all fares and charges for services
18 provided, contributions received in connection with public
19 transportation from units of local government other than
20 the Authority and from the State pursuant to subsection (i)
21 of Section 2705-305 of the Department of Transportation Law
22 (20 ILCS 2705/2705-305), and all other operating revenues
23 properly included consistent with generally accepted
24 accounting principles but do not include: the proceeds of
25 any borrowings, and, beginning with the 2007 fiscal year,
26 all revenues and receipts, including but not limited to

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

1 Commuter Rail Division of debt service on bonds issued
2 pursuant to Section 3B.09; expenses incurred by the
3 Suburban Bus Division for the cost of new public
4 transportation services funded from grants pursuant to
5 Section 2.01e of this amendatory Act of the 95th General
6 Assembly for a period of 2 years from the date of
7 initiation of each such service; costs as exempted by the
8 Board for projects pursuant to Section 2.09 of this Act;
9 or, beginning with the 2007 fiscal year, expenses related
10 to providing ADA paratransit service pursuant to Section
11 2.30 of the Regional Transportation Authority Act; and in
12 fiscal years 2008 through 2012 inclusive, costs in the
13 amount of \$200,000,000 in fiscal year 2008, reducing by
14 \$40,000,000 in each fiscal year thereafter until this
15 exemption is eliminated; and

16 (ii) that the level of fares charged for ADA
17 paratransit services is sufficient to cause the aggregate
18 of all projected revenues from such fares charged and
19 received in each fiscal year to equal at least 10% of the
20 aggregate costs of providing such ADA paratransit services
21 in fiscal years 2007 and 2008 and at least 12% of the
22 aggregate costs of providing such ADA paratransit services
23 in fiscal years 2009 and thereafter; for purposes of this
24 Act, the percentages in this subsection (b)(ii) shall be
25 referred to as the "system generated ADA paratransit
26 services revenue recovery ratio".

1 (c) The actual administrative expenses of the Authority for
2 the fiscal year commencing January 1, 1985 may not exceed
3 \$5,000,000. The actual administrative expenses of the
4 Authority for the fiscal year commencing January 1, 1986, and
5 for each fiscal year thereafter shall not exceed the maximum
6 administrative expenses for the previous fiscal year plus 5%.
7 "Administrative expenses" are defined for purposes of this
8 Section as all expenses except: (1) capital expenses and
9 purchases of the Authority on behalf of the Service Boards; (2)
10 payments to Service Boards; and (3) payment of principal and
11 interest on bonds, notes or other evidence of obligation for
12 borrowed money issued by the Authority; (4) costs for passenger
13 security including grants, contracts, personnel, equipment and
14 administrative expenses; (5) payments with respect to public
15 transportation facilities made pursuant to subsection (b) of
16 Section 2.20 of this Act; and (6) any payments with respect to
17 rate protection contracts, credit enhancements or liquidity
18 agreements made pursuant to Section 4.14.

19 (d) (Blank). ~~After withholding 15% of the proceeds of any~~
20 ~~tax imposed by the Authority and 15% of money received by the~~
21 ~~Authority from the Regional Transportation Authority~~
22 ~~Occupation and Use Tax Replacement Fund, the Board shall~~
23 ~~allocate the proceeds and money remaining to the Service Boards~~
24 ~~as follows: (1) an amount equal to 85% of the proceeds of those~~
25 ~~taxes collected within the City of Chicago and 85% of the money~~
26 ~~received by the Authority on account of transfers to the~~

1 ~~Regional Transportation Authority Occupation and Use Tax~~
2 ~~Replacement Fund from the County and Mass Transit District Fund~~
3 ~~attributable to retail sales within the City of Chicago shall~~
4 ~~be allocated to the Chicago Transit Authority; (2) an amount~~
5 ~~equal to 85% of the proceeds of those taxes collected within~~
6 ~~Cook County outside the City of Chicago and 85% of the money~~
7 ~~received by the Authority on account of transfers to the~~
8 ~~Regional Transportation Authority Occupation and Use Tax~~
9 ~~Replacement Fund from the County and Mass Transit District Fund~~
10 ~~attributable to retail sales within Cook County outside of the~~
11 ~~city of Chicago shall be allocated 30% to the Chicago Transit~~
12 ~~Authority, 55% to the Commuter Rail Board and 15% to the~~
13 ~~Suburban Bus Board; and (3) an amount equal to 85% of the~~
14 ~~proceeds of the taxes collected within the Counties of DuPage,~~
15 ~~Kane, Lake, McHenry and Will shall be allocated 70% to the~~
16 ~~Commuter Rail Board and 30% to the Suburban Bus Board.~~

17 (e) (Blank). ~~Moneys received by the Authority on account of~~
18 ~~transfers to the Regional Transportation Authority Occupation~~
19 ~~and Use Tax Replacement Fund from the State and Local Sales Tax~~
20 ~~Reform Fund shall be allocated among the Authority and the~~
21 ~~Service Boards as follows: 15% of such moneys shall be retained~~
22 ~~by the Authority and the remaining 85% shall be transferred to~~
23 ~~the Service Boards as soon as may be practicable after the~~
24 ~~Authority receives payment. Moneys which are distributable to~~
25 ~~the Service Boards pursuant to the preceding sentence shall be~~
26 ~~allocated among the Service Boards on the basis of each Service~~

1 ~~Board's distribution ratio. The term "distribution ratio"~~
2 ~~means, for purposes of this subsection (c) of this Section~~
3 ~~4.01, the ratio of the total amount distributed to a Service~~
4 ~~Board pursuant to subsection (d) of Section 4.01 for the~~
5 ~~immediately preceding calendar year to the total amount~~
6 ~~distributed to all of the Service Boards pursuant to subsection~~
7 ~~(d) of Section 4.01 for the immediately preceding calendar~~
8 ~~year.~~

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

1 set out in the Strategic Plan ~~, costs and relative priorities;~~
2 (3) (2) keep the Board and the public informed of the extent to
3 which the Service Boards and transportation agencies are
4 meeting the goals and objectives adopted by the Authority in
5 the Strategic Plan ~~public transportation programs and~~
6 ~~accomplishments of such transportation agencies; and (4)~~
7 assess the efficiency or adequacy of public transportation
8 services provided by a Service Board and make recommendations
9 for change in that service ~~(3) coordinate the development and~~
10 ~~implementation of public transportation programs to the end~~
11 that the moneys ~~monies~~ available to the Authority may be
12 expended in the most economical manner possible with the least
13 possible duplication.

14 (g) All ~~Under such regulations as the Board may prescribe,~~
15 ~~all~~ Service Boards, transportation agencies, comprehensive
16 planning agencies, including the Chicago Metropolitan Agency
17 for Planning, or transportation planning agencies in the
18 metropolitan region shall furnish to the Authority ~~Board~~ such
19 information pertaining to public transportation or relevant
20 for plans therefor as it may from time to time require. The
21 Executive Director, or his or her designee, ~~upon payment to any~~
22 ~~such agency or Service Board of the reasonable additional cost~~
23 ~~of its so providing such information except as may otherwise be~~
24 ~~provided by agreement with the Authority, and the Board or any~~
25 ~~duly authorized employee of the Board shall, for the purpose of~~
26 securing any such information necessary or appropriate to carry

1 out any of the powers and responsibilities of the Authority
2 under this Act, have access to, and the right to examine, all
3 books, documents, papers or records of a Service Board or any
4 transportation ~~such~~ agency receiving funds from the Authority
5 or Service Board, and such Service Board or transportation
6 agency shall comply with any request by the Executive Director,
7 or his or her designee, within 30 days or an extended time
8 provided by the Executive Director ~~pertaining to public~~
9 ~~transportation or relevant for plans therefor.~~

10 (h) No Service Board shall undertake any capital
11 improvement which is not identified in the Five-Year Capital
12 Program.

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

14 (70 ILCS 3615/4.02) (from Ch. 111 2/3, par. 704.02)

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

16 (a) The Authority shall have the power to apply for,
17 receive and expend grants, loans or other funds from the State
18 of Illinois or any department or agency thereof, from any unit
19 of local government, from the federal government or any
20 department or agency thereof, for use in connection with any of
21 the powers or purposes of the Authority as set forth in this
22 Act. The Authority shall have power to make such studies as may
23 be necessary and to enter into contracts or agreements with the
24 State of Illinois or any department or agency thereof, with any
25 unit of local government, or with the federal government or any

1 department or agency thereof, concerning such grants, loans or
2 other funds, or any conditions relating thereto, including
3 obligations to repay such funds. The Authority may make such
4 covenants concerning such grants, loans and funds as it deems
5 proper and necessary in carrying out its responsibilities,
6 purposes and powers as provided in this Act.

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

1 district to apply for or receive any grant, loan or other funds
2 for transportation of school children.

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

7 ~~(1) As soon as may be practicable after the Authority~~
8 ~~receives payment, under Section 4.03(m) or Section~~
9 ~~4.03.1(d), of the proceeds of those taxes levied by the~~
10 ~~Authority, the Authority shall transfer to each Service~~
11 ~~Board the amount to which it is entitled under Section~~
12 ~~4.01(d);~~

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

1 ~~(3) The Authority by ordinance adopted by 9 of its then~~
2 ~~Directors shall apportion to the Service Boards funds~~
3 ~~provided by the State of Illinois under Section 4.09 and~~
4 ~~shall make payment of said funds to each Service Board as~~
5 ~~soon as may be practicable upon their receipt provided the~~
6 ~~Authority has adopted a balanced budget as required by~~
7 ~~Section 4.01 and further provided the Service Board is in~~
8 ~~compliance with the requirements in Section 4.11.~~

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

14 (Source: P.A. 94-839, eff. 6-6-06; revised 8-3-06.)

15 (70 ILCS 3615/4.02a)

16 Sec. 4.02a. Chicago Transit Authority contributions to
17 pension funds.

18 (a) The Authority shall continually review the Chicago
19 Transit Authority's payment of the required contributions to
20 its retirement system under Section 22-101 of the Illinois
21 Pension Code.

22 (b) Beginning January 1, 2009, if at any time the Authority
23 determines that the Chicago Transit Authority's payment of any
24 portion of the required contributions to its retirement system
25 under Section 22-101 of the Illinois Pension Code is more than

1 one month overdue, it shall as soon as possible pay the amount
2 of those overdue contributions to the Board of Trustees ~~trustee~~
3 of the Retirement Plan ~~retirement system~~ on behalf of the
4 Chicago Transit Authority out of moneys otherwise payable to
5 the Chicago Transit Authority under ~~subsection (c) of~~ Section
6 4.03.3 ~~4.02~~ of this Act. The Authority shall thereafter have no
7 liability to the Chicago Transit Authority for amounts paid to
8 the Board of Trustees ~~trustee~~ of the Retirement Plan ~~retirement~~
9 ~~system~~ under this Section.

10 (c) Whenever the Authority acts or determines that it is
11 required to act under subsection (b), it shall so notify the
12 Chicago Transit Authority, the Mayor of Chicago, the Governor,
13 the Auditor General of the State of Illinois, and the General
14 Assembly.

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

16 (70 ILCS 3615/4.02b)

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

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

21 (b) Beginning January 1, 2009, if at any time the Authority
22 determines that the Commuter Rail Board's or Suburban Bus
23 Board's payment of any portion of the required contributions to
24 an affected pension plan under Section 22-103 of the Illinois
25 Pension Code is more than one month overdue, it shall as soon

1 as possible pay the amount of those overdue contributions to
2 the trustee of the affected pension plan on behalf of that
3 Service Board out of moneys otherwise payable to that Service
4 Board under Section 4.03.3 ~~subsection (c) of Section 4.02~~ of
5 this Act. The Authority shall thereafter have no liability to
6 the Service Board for amounts paid to the trustee of the
7 affected pension plan under this Section.

8 (c) Whenever the Authority acts or determines that it is
9 required to act under subsection (b), it shall so notify the
10 affected Service Board, the Mayor of Chicago, the Governor, the
11 Auditor General of the State of Illinois, and the General
12 Assembly.

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

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

24 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

25 Sec. 4.03. Taxes.

1 (a) In order to carry out any of the powers or purposes of
2 the Authority, the Board may by ordinance adopted with the
3 concurrence of 12 ~~9~~ of the then Directors, impose throughout
4 the metropolitan region any or all of the taxes provided in
5 this Section. Except as otherwise provided in this Act, taxes
6 imposed under this Section and civil penalties imposed incident
7 thereto shall be collected and enforced by the State Department
8 of Revenue. The Department shall have the power to administer
9 and enforce the taxes and to determine all rights for refunds
10 for erroneous payments of the taxes. Nothing in this amendatory
11 Act of the 95th General Assembly is intended to invalidate any
12 taxes currently imposed by the Authority. The increased vote
13 requirements to impose a tax shall only apply to actions taken
14 after the effective date of this amendatory Act of the 95th
15 General Assembly.

16 (b) The Board may impose a public transportation tax upon
17 all persons engaged in the metropolitan region in the business
18 of selling at retail motor fuel for operation of motor vehicles
19 upon public highways. The tax shall be at a rate not to exceed
20 5% of the gross receipts from the sales of motor fuel in the
21 course of the business. As used in this Act, the term "motor
22 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
23 The Board may provide for details of the tax. The provisions of
24 any tax shall conform, as closely as may be practicable, to the
25 provisions of the Municipal Retailers Occupation Tax Act,
26 including without limitation, conformity to penalties with

1 respect to the tax imposed and as to the powers of the State
2 Department of Revenue to promulgate and enforce rules and
3 regulations relating to the administration and enforcement of
4 the provisions of the tax imposed, except that reference in the
5 Act to any municipality shall refer to the Authority and the
6 tax shall be imposed only with regard to receipts from sales of
7 motor fuel in the metropolitan region, at rates as limited by
8 this Section.

9 (c) In connection with the tax imposed under paragraph (b)
10 of this Section the Board may impose a tax upon the privilege
11 of using in the metropolitan region motor fuel for the
12 operation of a motor vehicle upon public highways, the tax to
13 be at a rate not in excess of the rate of tax imposed under
14 paragraph (b) of this Section. The Board may provide for
15 details of the tax.

16 (d) The Board may impose a motor vehicle parking tax upon
17 the privilege of parking motor vehicles at off-street parking
18 facilities in the metropolitan region at which a fee is
19 charged, and may provide for reasonable classifications in and
20 exemptions to the tax, for administration and enforcement
21 thereof and for civil penalties and refunds thereunder and may
22 provide criminal penalties thereunder, the maximum penalties
23 not to exceed the maximum criminal penalties provided in the
24 Retailers' Occupation Tax Act. The Authority may collect and
25 enforce the tax itself or by contract with any unit of local
26 government. The State Department of Revenue shall have no

1 responsibility for the collection and enforcement unless the
2 Department agrees with the Authority to undertake the
3 collection and enforcement. As used in this paragraph, the term
4 "parking facility" means a parking area or structure having
5 parking spaces for more than 2 vehicles at which motor vehicles
6 are permitted to park in return for an hourly, daily, or other
7 periodic fee, whether publicly or privately owned, but does not
8 include parking spaces on a public street, the use of which is
9 regulated by parking meters.

10 (e) The Board may impose a Regional Transportation
11 Authority Retailers' Occupation Tax upon all persons engaged in
12 the business of selling tangible personal property at retail in
13 the metropolitan region. In Cook County the tax rate shall be
14 1% of the gross receipts from sales of food for human
15 consumption that is to be consumed off the premises where it is
16 sold (other than alcoholic beverages, soft drinks and food that
17 has been prepared for immediate consumption) and prescription
18 and nonprescription medicines, drugs, medical appliances and
19 insulin, urine testing materials, syringes and needles used by
20 diabetics, and 3/4% of the gross receipts from other taxable
21 sales made in the course of that business. In DuPage, Kane,
22 Lake, McHenry, and Will Counties, the tax rate shall be 1/4% of
23 the gross receipts from all taxable sales made in the course of
24 that business. The tax imposed under this Section and all civil
25 penalties that may be assessed as an incident thereof shall be
26 collected and enforced by the State Department of Revenue. The

1 Department shall have full power to administer and enforce this
2 Section; to collect all taxes and penalties so collected in the
3 manner hereinafter provided; and to determine all rights to
4 credit memoranda arising on account of the erroneous payment of
5 tax or penalty hereunder. In the administration of, and
6 compliance with this Section, the Department and persons who
7 are subject to this Section shall have the same rights,
8 remedies, privileges, immunities, powers and duties, and be
9 subject to the same conditions, restrictions, limitations,
10 penalties, exclusions, exemptions and definitions of terms,
11 and employ the same modes of procedure, as are prescribed in
12 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65
13 (in respect to all provisions therein other than the State rate
14 of tax), 2c, 3 (except as to the disposition of taxes and
15 penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
16 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and 13 of the
17 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
18 Penalty and Interest Act, as fully as if those provisions were
19 set forth herein.

20 Persons subject to any tax imposed under the authority
21 granted in this Section may reimburse themselves for their
22 seller's tax liability hereunder by separately stating the tax
23 as an additional charge, which charge may be stated in
24 combination in a single amount with State taxes that sellers
25 are required to collect under the Use Tax Act, under any
26 bracket schedules the Department may prescribe.

1 Whenever the Department determines that a refund should be
2 made under this Section to a claimant instead of issuing a
3 credit memorandum, the Department shall notify the State
4 Comptroller, who shall cause the warrant to be drawn for the
5 amount specified, and to the person named, in the notification
6 from the Department. The refund shall be paid by the State
7 Treasurer out of the Regional Transportation Authority tax fund
8 established under paragraph (n) of this Section.

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

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

20 No tax shall be imposed or collected under this subsection
21 on the sale of a motor vehicle in this State to a resident of
22 another state if that motor vehicle will not be titled in this
23 State.

24 Nothing in this Section shall be construed to authorize the
25 Regional Transportation Authority to impose a tax upon the
26 privilege of engaging in any business that under the

1 Constitution of the United States may not be made the subject
2 of taxation by this State.

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

1 The tax imposed under this paragraph and all civil
2 penalties that may be assessed as an incident thereof shall be
3 collected and enforced by the State Department of Revenue. The
4 Department shall have full power to administer and enforce this
5 paragraph; to collect all taxes and penalties due hereunder; to
6 dispose of taxes and penalties collected in the manner
7 hereinafter provided; and to determine all rights to credit
8 memoranda arising on account of the erroneous payment of tax or
9 penalty hereunder. In the administration of and compliance with
10 this paragraph, the Department and persons who are subject to
11 this paragraph shall have the same rights, remedies,
12 privileges, immunities, powers and duties, and be subject to
13 the same conditions, restrictions, limitations, penalties,
14 exclusions, exemptions and definitions of terms, and employ the
15 same modes of procedure, as are prescribed in Sections 1a-1, 2,
16 2a, 3 through 3-50 (in respect to all provisions therein other
17 than the State rate of tax), 4 (except that the reference to
18 the State shall be to the Authority), 5, 7, 8 (except that the
19 jurisdiction to which the tax shall be a debt to the extent
20 indicated in that Section 8 shall be the Authority), 9 (except
21 as to the disposition of taxes and penalties collected, and
22 except that the returned merchandise credit for this tax may
23 not be taken against any State tax), 10, 11, 12 (except the
24 reference therein to Section 2b of the Retailers' Occupation
25 Tax Act), 13 (except that any reference to the State shall mean
26 the Authority), the first paragraph of Section 15, 16, 17, 18,

1 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
2 the Uniform Penalty and Interest Act, as fully as if those
3 provisions were set forth herein.

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

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

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

23 (g) If a tax has been imposed under paragraph (e), a tax
24 shall also be imposed upon the privilege of using in the
25 metropolitan region, any item of tangible personal property
26 that is purchased outside the metropolitan region at retail

1 from a retailer, and that is titled or registered with an
2 agency of this State's government. In Cook County the tax rate
3 shall be 3/4% of the selling price of the tangible personal
4 property, as "selling price" is defined in the Use Tax Act. In
5 DuPage, Kane, Lake, McHenry and Will counties the tax rate
6 shall be 1/4% of the selling price of the tangible personal
7 property, as "selling price" is defined in the Use Tax Act. The
8 tax shall be collected from persons whose Illinois address for
9 titling or registration purposes is given as being in the
10 metropolitan region. The tax shall be collected by the
11 Department of Revenue for the Regional Transportation
12 Authority. The tax must be paid to the State, or an exemption
13 determination must be obtained from the Department of Revenue,
14 before the title or certificate of registration for the
15 property may be issued. The tax or proof of exemption may be
16 transmitted to the Department by way of the State agency with
17 which, or the State officer with whom, the tangible personal
18 property must be titled or registered if the Department and the
19 State agency or State officer determine that this procedure
20 will expedite the processing of applications for title or
21 registration.

22 The Department shall have full power to administer and
23 enforce this paragraph; to collect all taxes, penalties and
24 interest due hereunder; to dispose of taxes, penalties and
25 interest collected in the manner hereinafter provided; and to
26 determine all rights to credit memoranda or refunds arising on

1 account of the erroneous payment of tax, penalty or interest
2 hereunder. In the administration of and compliance with this
3 paragraph, the Department and persons who are subject to this
4 paragraph shall have the same rights, remedies, privileges,
5 immunities, powers and duties, and be subject to the same
6 conditions, restrictions, limitations, penalties, exclusions,
7 exemptions and definitions of terms and employ the same modes
8 of procedure, as are prescribed in Sections 2 (except the
9 definition of "retailer maintaining a place of business in this
10 State"), 3 through 3-80 (except provisions pertaining to the
11 State rate of tax, and except provisions concerning collection
12 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
13 19 (except the portions pertaining to claims by retailers and
14 except the last paragraph concerning refunds), 20, 21 and 22 of
15 the Use Tax Act, and are not inconsistent with this paragraph,
16 as fully as if those provisions were set forth herein.

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

25 (h) The Authority may impose a replacement vehicle tax of
26 \$50 on any passenger car as defined in Section 1-157 of the

1 Illinois Vehicle Code purchased within the metropolitan region
2 by or on behalf of an insurance company to replace a passenger
3 car of an insured person in settlement of a total loss claim.
4 The tax imposed may not become effective before the first day
5 of the month following the passage of the ordinance imposing
6 the tax and receipt of a certified copy of the ordinance by the
7 Department of Revenue. The Department of Revenue shall collect
8 the tax for the Authority in accordance with Sections 3-2002
9 and 3-2003 of the Illinois Vehicle Code.

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

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

26 (j) A certificate of registration issued by the State

1 Department of Revenue to a retailer under the Retailers'
2 Occupation Tax Act or under the Service Occupation Tax Act
3 shall permit the registrant to engage in a business that is
4 taxed under the tax imposed under paragraphs (b), (e), (f) or
5 (g) of this Section and no additional registration shall be
6 required under the tax. A certificate issued under the Use Tax
7 Act or the Service Use Tax Act shall be applicable with regard
8 to any tax imposed under paragraph (c) of this Section.

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

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

1 registration for users or purchasers of motor fuel for purposes
2 other than those with regard to which taxes may be imposed as
3 provided in paragraphs (b) and (c) of this Section to
4 facilitate the reporting and nontaxability of the exempt sales
5 or uses.

6 (m) Any ordinance imposing or discontinuing any tax under
7 this Section shall be adopted and a certified copy thereof
8 filed with the Department on or before June 1, whereupon the
9 Department of Revenue shall proceed to administer and enforce
10 this Section on behalf of the Regional Transportation Authority
11 as of September 1 next following such adoption and filing.
12 Beginning January 1, 1992, an ordinance or resolution imposing
13 or discontinuing the tax hereunder shall be adopted and a
14 certified copy thereof filed with the Department on or before
15 the first day of July, whereupon the Department shall proceed
16 to administer and enforce this Section as of the first day of
17 October next following such adoption and filing. Beginning
18 January 1, 1993, an ordinance or resolution imposing or
19 discontinuing the tax hereunder shall be adopted and a
20 certified copy thereof filed with the Department ~~on or before~~
21 ~~the first day of October~~, whereupon the Department shall
22 proceed to administer and enforce this Section as of the first
23 day of January next following such adoption and filing.

24 (n) The State Department of Revenue shall, upon collecting
25 any taxes as provided in this Section, pay the taxes over to
26 the State Treasurer as trustee for the Authority. The taxes

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

26 In addition to the disbursement required by the preceding

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

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

20 (p) At no time shall a public transportation tax or motor
21 vehicle parking tax authorized under paragraphs (b), (c) and
22 (d) of this Section be in effect at the same time as any
23 retailers' occupation, use or service occupation tax
24 authorized under paragraphs (e), (f) and (g) of this Section is
25 in effect.

26 Any taxes imposed under the authority provided in

1 paragraphs (b), (c) and (d) shall remain in effect only until
2 the time as any tax authorized by paragraphs (e), (f) or (g) of
3 this Section are imposed and becomes effective. Once any tax
4 authorized by paragraphs (e), (f) or (g) is imposed the Board
5 may not reimpose taxes as authorized in paragraphs (b), (c) and
6 (d) of the Section unless any tax authorized by paragraphs (e),
7 (f) or (g) of this Section becomes ineffective by means other
8 than an ordinance of the Board.

9 (q) Any existing rights, remedies and obligations
10 (including enforcement by the Regional Transportation
11 Authority) arising under any tax imposed under paragraphs (b),
12 (c) or (d) of this Section shall not be affected by the
13 imposition of a tax under paragraphs (e), (f) or (g) of this
14 Section.

15 (Source: P.A. 92-221, eff. 8-2-01; 92-651, eff. 7-11-02;
16 93-1068, eff. 1-15-05.)

17 (70 ILCS 3615/4.03.3 new)

18 Sec. 4.03.3. Distribution of Revenues. After providing for
19 payment of its obligations with respect to bonds and notes
20 issued under the provisions of Section 4.04 and obligations
21 related to those bonds and notes, the Authority shall disburse
22 the remaining proceeds from taxes it has imposed under this
23 Article IV and the remaining moneys it has received from the
24 State under Section 4.09(a) as follows:

25 (a) With respect to taxes imposed by the Authority, after

1 withholding 15% of the remaining proceeds from those taxes, and
2 15% of money received by the Authority from the Regional
3 Transportation Authority Occupation and Use Tax Replacement
4 Fund or from the Regional Transportation Authority tax fund
5 created in Section 4.03(n), the Board shall allocate the
6 remaining amount to the Service Boards as follows:

7 (1) an amount equal to 85% of the remaining proceeds
8 from those taxes collected within the City of Chicago and
9 85% of the money received by the Authority on account of
10 transfers to the Regional Transportation Authority
11 Occupation and Use Tax Replacement Fund or to the Regional
12 Transportation Authority tax fund created in Section
13 4.03(n) from the County and Mass Transit District Fund
14 attributable to retail sales within the City of Chicago
15 shall be allocated to the Chicago Transit Authority;

16 (2) an amount equal to 85% of the remaining proceeds
17 from those taxes collected within Cook County outside of
18 the City of Chicago, and 85% of the money received by the
19 Authority on account of transfers to the Regional
20 Transportation Authority Occupation and Use Tax
21 Replacement Fund or to the Regional Transportation
22 Authority tax fund created in Section 4.03(n) from the
23 County and Mass Transit District Fund attributable to
24 retail sales within Cook County outside of the City of
25 Chicago shall be allocated 30% to the Chicago Transit
26 Authority, 55% to the Commuter Rail Board, and 15% to the

1 Suburban Bus Board; and

2 (3) an amount equal to 85% of the remaining proceeds
3 from the taxes collected within the Counties of DuPage,
4 Kane, Lake, McHenry, and Will shall be allocated 70% to the
5 Commuter Rail Board and 30% to the Suburban Bus Board.

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

23 (c) Moneys received from the State under Section 4.09(a) (2)
24 shall be allocated as follows:

25 (1) \$100,000,000 shall be distributed annually to the
26 Regional Transportation Authority for deposit into the ADA

1 Paratransit Fund established by the Authority under
2 Section 2.01d of the Regional Transportation Authority
3 Act;

4 (2) \$10,000,000 shall be distributed annually to the
5 Regional Transportation Authority for deposit into the
6 Innovation, Coordination, and Enhancement Fund established
7 by the Authority under Section 2.01c of the Regional
8 Transportation Authority Act;

9 (3) \$20,000,000 shall be distributed annually to the
10 Regional Transportation Authority for deposit into the
11 Suburban Community Mobility Fund established by the
12 Authority under Section 2.01e of the Regional
13 Transportation Authority Act;

14 (4) Beginning in calendar year 2009 and continuing
15 through 2039, \$115,000,000 shall be distributed annually
16 to the Chicago Transit Authority; and

17 (5) any remaining funds shall be distributed as
18 follows: (i) 48% to the Chicago Transit Authority, (ii) 39%
19 to the Commuter Rail Division; and (iii) 13% to the
20 Suburban Bus Division.

21 In 2009 and each year thereafter the amounts distributed to
22 the Authority for deposit in the ADA Paratransit Fund, the
23 Suburban Community Mobility Fund and the Innovative,
24 Coordination and Enhancement Fund respectively shall equal the
25 amount deposited in the previous year increased or decreased by
26 the percentage growth or decline in revenues received by the

1 Authority from the State for the transfer of moneys pursuant to
2 Section 4.09(a) (2) in the previous State fiscal year.

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

11 (e) Beginning January 1, 2009, before making any payments,
12 transfers, or expenditures under this Section to a Service
13 Board, the Authority must first comply with Section 4.02a or
14 4.02b of this Act, whichever may be applicable.

15 (70 ILCS 3615/4.04) (from Ch. 111 2/3, par. 704.04)

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

17 (a) The Authority shall have the continuing power to borrow
18 money and to issue its negotiable bonds or notes as provided in
19 this Section. Unless otherwise indicated in this Section, the
20 term "notes" also includes bond anticipation notes, which are
21 notes which by their terms provide for their payment from the
22 proceeds of bonds thereafter to be issued. Bonds or notes of
23 the Authority may be issued for any or all of the following
24 purposes: to pay costs to the Authority or a Service Board of
25 constructing or acquiring any public transportation facilities

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

20 In addition to any other borrowing as may be authorized by
21 this Section, the Authority may issue its notes, from time to
22 time, in anticipation of tax receipts of the Authority or of
23 other revenues or receipts of the Authority, in order to
24 provide money for the Authority or the Service Boards to cover
25 any cash flow deficit which the Authority or a Service Board
26 anticipates incurring. Any such notes are referred to in this

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

22 Notwithstanding any other provision of this Act, any
23 amounts necessary to pay principal of and interest on any
24 Working Cash Notes issued at the demand and direction of a
25 Service Board or any Working Cash Notes the proceeds of which
26 were used for the direct benefit of a Service Board or any

1 other Bonds or Notes of the Authority the proceeds of which
2 were used for the direct benefit of a Service Board shall
3 constitute a reduction of the amount of any other funds
4 provided by the Authority to that Service Board. The Authority
5 shall, after deducting any costs of issuance, tender the net
6 proceeds of any Working Cash Notes issued at the demand and
7 direction of a Service Board to such Service Board as soon as
8 may be practicable after the proceeds are received. The
9 Authority may also issue notes or bonds to pay, refund or
10 redeem any of its notes and bonds, including to pay redemption
11 premiums or accrued interest on such bonds or notes being
12 renewed, paid or refunded, and other costs in connection
13 therewith. The Authority may also utilize the proceeds of any
14 such bonds or notes to pay the legal, financial, administrative
15 and other expenses of such authorization, issuance, sale or
16 delivery of bonds or notes or to provide or increase a debt
17 service reserve fund with respect to any or all of its bonds or
18 notes. The Authority may also issue and deliver its bonds or
19 notes in exchange for any public transportation facilities,
20 (including funds and rights relating thereto, as provided in
21 Section 2.05 of this Act) or in exchange for outstanding bonds
22 or notes of the Authority, including any accrued interest or
23 redemption premium thereon, without advertising or submitting
24 such notes or bonds for public bidding.

25 (b) The ordinance providing for the issuance of any such
26 bonds or notes shall fix the date or dates of maturity, the

1 dates on which interest is payable, any sinking fund account or
2 reserve fund account provisions and all other details of such
3 bonds or notes and may provide for such covenants or agreements
4 necessary or desirable with regard to the issue, sale and
5 security of such bonds or notes. The rate or rates of interest
6 on its bonds or notes may be fixed or variable and the
7 Authority shall determine or provide for the determination of
8 the rate or rates of interest of its bonds or notes issued
9 under this Act in an ordinance adopted by the Authority prior
10 to the issuance thereof, none of which rates of interest shall
11 exceed that permitted in the Bond Authorization Act. Interest
12 may be payable at such times as are provided for by the Board.
13 Bonds and notes issued under this Section may be issued as
14 serial or term obligations, shall be of such denomination or
15 denominations and form, including interest coupons to be
16 attached thereto, be executed in such manner, shall be payable
17 at such place or places and bear such date as the Authority
18 shall fix by the ordinance authorizing such bond or note and
19 shall mature at such time or times, within a period not to
20 exceed forty years from the date of issue, and may be
21 redeemable prior to maturity with or without premium, at the
22 option of the Authority, upon such terms and conditions as the
23 Authority shall fix by the ordinance authorizing the issuance
24 of such bonds or notes. No bond anticipation note or any
25 renewal thereof shall mature at any time or times exceeding 5
26 years from the date of the first issuance of such note. The

1 Authority may provide for the registration of bonds or notes in
2 the name of the owner as to the principal alone or as to both
3 principal and interest, upon such terms and conditions as the
4 Authority may determine. The ordinance authorizing bonds or
5 notes may provide for the exchange of such bonds or notes which
6 are fully registered, as to both principal and interest, with
7 bonds or notes which are registerable as to principal only. All
8 bonds or notes issued under this Section by the Authority other
9 than those issued in exchange for property or for bonds or
10 notes of the Authority shall be sold at a price which may be at
11 a premium or discount but such that the interest cost
12 (excluding any redemption premium) to the Authority of the
13 proceeds of an issue of such bonds or notes, computed to stated
14 maturity according to standard tables of bond values, shall not
15 exceed that permitted in the Bond Authorization Act. The
16 Authority shall notify the Governor's Office of Management and
17 Budget and the State Comptroller at least 30 days before any
18 bond sale and shall file with the Governor's Office of
19 Management and Budget and the State Comptroller a certified
20 copy of any ordinance authorizing the issuance of bonds at or
21 before the issuance of the bonds. After December 31, 1994, any
22 such bonds or notes shall be sold to the highest and best
23 bidder on sealed bids as the Authority shall deem. As such
24 bonds or notes are to be sold the Authority shall advertise for
25 proposals to purchase the bonds or notes which advertisement
26 shall be published at least once in a daily newspaper of

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

20 (c) All bonds or notes of the Authority issued pursuant to
21 this Section shall be general obligations of the Authority to
22 which shall be pledged the full faith and credit of the
23 Authority, as provided in this Section. Such bonds or notes
24 shall be secured as provided in the authorizing ordinance,
25 which may, notwithstanding any other provision of this Act,
26 include in addition to any other security, a specific pledge or

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

19 The Authority may provide in the ordinance authorizing the
20 issuance of any bonds or notes issued pursuant to this Section
21 for the creation of, deposits in, and regulation and
22 disposition of sinking fund or reserve accounts relating to
23 such bonds or notes. The ordinance authorizing the issuance of
24 any bonds or notes pursuant to this Section may contain
25 provisions as part of the contract with the holders of the
26 bonds or notes, for the creation of a separate fund to provide

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

17 (d) The ordinance of the Authority authorizing the issuance
18 of any bonds or notes may provide additional security for such
19 bonds or notes by providing for appointment of a corporate
20 trustee (which may be any trust company or bank having the
21 powers of a trust company within the state) with respect to
22 such bonds or notes. The ordinance shall prescribe the rights,
23 duties and powers of the trustee to be exercised for the
24 benefit of the Authority and the protection of the holders of
25 such bonds or notes. The ordinance may provide for the trustee
26 to hold in trust, invest and use amounts in funds and accounts

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

20 (e) Any bonds or notes of the Authority issued pursuant to
21 this Section shall constitute a contract between the Authority
22 and the holders from time to time of such bonds or notes. In
23 issuing any bond or note, the Authority may include in the
24 ordinance authorizing such issue a covenant as part of the
25 contract with the holders of the bonds or notes, that as long
26 as such obligations are outstanding, it shall make such

1 deposits, as provided in paragraph (c) of this Section. It may
2 also so covenant that it shall impose and continue to impose
3 taxes, as provided in Section 4.03 of this Act and in addition
4 thereto as subsequently authorized by law, sufficient to make
5 such deposits and pay the principal and interest and to meet
6 other debt service requirements of such bonds or notes as they
7 become due. A certified copy of the ordinance authorizing the
8 issuance of any such obligations shall be filed at or prior to
9 the issuance of such obligations with the Comptroller of the
10 State of Illinois and the Illinois Department of Revenue.

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

1 authorized to include these pledges and agreements of the State
2 in any contract with the holders of bonds or notes issued
3 pursuant to this Section.

4 (g) (1) Except as provided in subdivisions (g)(2) and
5 (g)(3) of Section 4.04 of this Act, the Authority shall not
6 at any time issue, sell or deliver any bonds or notes
7 (other than Working Cash Notes) pursuant to this Section
8 4.04 which will cause it to have issued and outstanding at
9 any time in excess of \$800,000,000 of such bonds and notes

10 (other than Working Cash Notes). The Authority shall not at
11 any time issue, sell, or deliver any Working Cash Notes
12 pursuant to this Section that will cause it to have issued
13 and outstanding at any time in excess of \$100,000,000.

14 Notwithstanding the foregoing, before January 1, 2009, the
15 Authority may issue, sell, and deliver an additional
16 \$300,000,000 in Working Cash Notes, provided that any such
17 additional notes shall mature on or before December 31,

18 2010. ~~The Authority shall not at any time issue, sell or~~
19 ~~deliver any Working Cash Notes pursuant to this Section~~
20 ~~which will cause it to have issued and outstanding at any~~
21 ~~time in excess of \$100,000,000 of Working Cash Notes.~~ Bonds

22 or notes which are being paid or retired by such issuance,
23 sale or delivery of bonds or notes, and bonds or notes for
24 which sufficient funds have been deposited with the paying
25 agency of such bonds or notes to provide for payment of
26 principal and interest thereon or to provide for the

1 redemption thereof, all pursuant to the ordinance
2 authorizing the issuance of such bonds or notes, shall not
3 be considered to be outstanding for the purposes of the
4 first two sentences of this subsection.

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

9 \$100,000,000 is authorized to be issued on or after
10 January 1, 1990;

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

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

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

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

19 the aggregate total authorization of bonds and notes
20 for Strategic Capital Improvement Projects as of January 1,
21 1994, shall be \$500,000,000.

22 The Authority is also authorized to issue, sell, and
23 deliver bonds or notes in such amounts as are necessary to
24 provide for the refunding or advance refunding of bonds or
25 notes issued for Strategic Capital Improvement Projects
26 under this subdivision (g)(2), provided that no such

1 refunding bond or note shall mature later than the final
2 maturity date of the series of bonds or notes being
3 refunded, and provided further that the debt service
4 requirements for such refunding bonds or notes in the
5 current or any future fiscal year shall not exceed the debt
6 service requirements for that year on the refunded bonds or
7 notes.

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

13 \$260,000,000 is authorized to be issued on or after
14 January 1, 2000;

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

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

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

21 an additional \$260,000,000 is authorized to be issued
22 on or after January 1, 2004; and

23 the aggregate total authorization of bonds and notes
24 for Strategic Capital Improvement Projects pursuant to
25 this paragraph (3) as of January 1, 2004 shall be
26 \$1,300,000,000.

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

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

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

23 (70 ILCS 3615/4.09) (from Ch. 111 2/3, par. 704.09)

24 Sec. 4.09. Public Transportation Fund and the Regional
25 Transportation Authority Occupation and Use Tax Replacement

1 Fund.

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

1 and 4.03.1 during the previous month from within the
2 metropolitan region, less the amount paid out during that same
3 month as refunds to taxpayers for overpayment of liability in
4 the metropolitan region under Sections 4.03 and 4.03.1.

5 (2) In addition to any other deposits or transfers into the
6 Public Transportation Fund, beginning on the 25th day after the
7 month in which retailers of motor fuel in the metropolitan
8 region are required under the Retailers' Occupation Tax Act to
9 separately file a report with the Illinois Department of
10 Revenue of gross receipts on the sale of motor fuel in
11 accordance with the provisions of this amendatory Act of the
12 95th General Assembly, on or before the 25th day of each
13 calendar month, the Illinois Department of Revenue shall
14 prepare and certify to the Comptroller the transfer of stated
15 sums of money from the General Revenue Fund into the Public
16 Transportation Fund. The amount to be certified shall be a
17 percentage of the amount collected by the Department of Revenue
18 from sales of motor fuel by the retailer in the metropolitan
19 region during the preceding calendar month (including amounts
20 prepaid by the retailer to the motor fuel distributor under
21 Section 2d of the Retailers' Occupation Tax Act). The
22 Department of Revenue shall determine the amount collected from
23 the sale of motor fuel by retailers in the metropolitan region
24 based on reports required to be filed under the Retailers'
25 Occupation Tax Act in accordance with this Amendatory Act of
26 the 95th General Assembly. For each monthly transfer, the

1 amount to be certified shall be 80% of the net revenue realized
2 from the 6.25% general rate on the selling price of motor fuel
3 sold by a retailer that is located within the metropolitan
4 region. Within 10 days after receipt by the Comptroller of the
5 transfer certification from the Department of Revenue, the
6 Comptroller shall order transferred and the Treasurer shall
7 transfer the amount certified from the General Revenue Fund
8 into the Public Transportation Fund. For purposes of this
9 Section, "motor fuel" means that term as defined in the Motor
10 Fuel Tax Law, not including aviation fuel, and "metropolitan
11 region" means that term as defined in the Regional
12 Transportation Authority Act.

13 (b) (1) All moneys deposited in the Public Transportation
14 Fund and the Regional Transportation Authority Occupation and
15 Use Tax Replacement Fund, whether deposited pursuant to this
16 Section or otherwise, are allocated to the Authority. Pursuant
17 to appropriation, the Comptroller, as soon as possible after
18 each monthly transfer provided in this Section and after each
19 deposit into the Public Transportation Fund, shall order the
20 Treasurer to pay to the Authority out of the Public
21 Transportation Fund the amount so transferred or deposited. Any
22 Additional State Assistance and Additional Financial
23 Assistance paid to the Authority under this Section shall be
24 expended by the Authority for its purposes as provided in this
25 Act. The balance of the amounts paid to the Authority from the
26 Public Transportation Fund shall be expended by the Authority

1 ~~as provided in Section 4.03.3. Such amounts paid to the~~
2 ~~Authority may be expended by it for its purposes as provided in~~
3 ~~this Act.~~ Subject to appropriation to the Department of
4 Revenue, the Comptroller, as soon as possible after each
5 deposit into the Regional Transportation Authority Occupation
6 and Use Tax Replacement Fund provided in this Section and
7 Section 6z-17 of the State Finance Act, shall order the
8 Treasurer to pay to the Authority out of the Regional
9 Transportation Authority Occupation and Use Tax Replacement
10 Fund the amount so deposited. Such amounts paid to the
11 Authority may be expended by it for its purposes as provided in
12 this Act. (2) Provided, however, no moneys deposited under
13 subsection (a) of this Section shall be paid from the Public
14 Transportation Fund to the Authority or its assignee for any
15 fiscal year ~~beginning after the effective date of this~~
16 ~~amendatory Act of 1983~~ until the Authority has certified to the
17 Governor, the Comptroller, and the Mayor of the City of Chicago
18 that it has adopted for that fiscal year an Annual Budget and
19 Two-Year Financial Plan ~~a budget and financial plan~~ meeting the
20 requirements in Section 4.01(b).

21 (c) In recognition of the efforts of the Authority to
22 enhance the mass transportation facilities under its control,
23 the State shall provide financial assistance ("Additional
24 State Assistance") in excess of the amounts transferred to the
25 Authority from the General Revenue Fund under subsection (a) of
26 this Section. Additional State Assistance shall be calculated

1 as provided in subsection (d), but shall in no event exceed the
2 following specified amounts with respect to the following State
3 fiscal years:

4	1990	\$5,000,000;
5	1991	\$5,000,000;
6	1992	\$10,000,000;
7	1993	\$10,000,000;
8	1994	\$20,000,000;
9	1995	\$30,000,000;
10	1996	\$40,000,000;
11	1997	\$50,000,000;
12	1998	\$55,000,000; and
13	each year thereafter	\$55,000,000.

14 (c-5) The State shall provide financial assistance
15 ("Additional Financial Assistance") in addition to the
16 Additional State Assistance provided by subsection (c) and the
17 amounts transferred to the Authority from the General Revenue
18 Fund under subsection (a) of this Section. Additional Financial
19 Assistance provided by this subsection shall be calculated as
20 provided in subsection (d), but shall in no event exceed the
21 following specified amounts with respect to the following State
22 fiscal years:

23	2000	\$0;
24	2001	\$16,000,000;
25	2002	\$35,000,000;
26	2003	\$54,000,000;

1 2004 \$73,000,000;
2 2005 \$93,000,000; and
3 each year thereafter \$100,000,000.

4 (d) Beginning with State fiscal year 1990 and continuing
5 for each State fiscal year thereafter, the Authority shall
6 annually certify to the State Comptroller and State Treasurer,
7 separately with respect to each of subdivisions (g)(2) and
8 (g)(3) of Section 4.04 of this Act, the following amounts:

9 (1) The amount necessary and required, during the State
10 fiscal year with respect to which the certification is
11 made, to pay its obligations for debt service on all
12 outstanding bonds or notes issued by the Authority under
13 subdivisions (g)(2) and (g)(3) of Section 4.04 of this Act.

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

19 (3) Its debt service savings during the preceding State
20 fiscal year from refunding or advance refunding of bonds or
21 notes issued under subdivisions (g)(2) and (g)(3) of
22 Section 4.04.

23 (4) The amount of interest, if any, earned by the
24 Authority during the previous State fiscal year on the
25 proceeds of bonds or notes issued pursuant to subdivisions
26 (g)(2) and (g)(3) of Section 4.04, other than refunding or

1 advance refunding bonds or notes.

2 The certification shall include a specific schedule of debt
3 service payments, including the date and amount of each payment
4 for all outstanding bonds or notes and an estimated schedule of
5 anticipated debt service for all bonds and notes it intends to
6 issue, if any, during that State fiscal year, including the
7 estimated date and estimated amount of each payment.

8 Immediately upon the issuance of bonds for which an
9 estimated schedule of debt service payments was prepared, the
10 Authority shall file an amended certification with respect to
11 item (2) above, to specify the actual schedule of debt service
12 payments, including the date and amount of each payment, for
13 the remainder of the State fiscal year.

14 On the first day of each month of the State fiscal year in
15 which there are bonds outstanding with respect to which the
16 certification is made, the State Comptroller shall order
17 transferred and the State Treasurer shall transfer from the
18 General Revenue Fund to the Public Transportation Fund the
19 Additional State Assistance and Additional Financial
20 Assistance in an amount equal to the aggregate of (i)
21 one-twelfth of the sum of the amounts certified under items (1)
22 and (3) above less the amount certified under item (4) above,
23 plus (ii) the amount required to pay debt service on bonds and
24 notes issued during the fiscal year, if any, divided by the
25 number of months remaining in the fiscal year after the date of
26 issuance, or some smaller portion as may be necessary under

1 subsection (c) or (c-5) of this Section for the relevant State
2 fiscal year, plus (iii) any cumulative deficiencies in
3 transfers for prior months, until an amount equal to the sum of
4 the amounts certified under items (1) and (3) above, plus the
5 actual debt service certified under item (2) above, less the
6 amount certified under item (4) above, has been transferred;
7 except that these transfers are subject to the following
8 limits:

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

18 (B) In no event shall the total transfers in any State
19 fiscal year relating to outstanding bonds and notes issued
20 by the Authority under subdivision (g)(3) of Section 4.04
21 exceed the lesser of the annual maximum amount specified in
22 subsection (c-5) or the sum of the amounts certified under
23 items (1) and (3) above, plus the actual debt service
24 certified under item (2) above, less the amount certified
25 under item (4) above, with respect to those bonds and
26 notes.

1 The term "outstanding" does not include bonds or notes for
2 which refunding or advance refunding bonds or notes have been
3 issued.

4 (e) Neither Additional State Assistance nor Additional
5 Financial Assistance may be pledged, either directly or
6 indirectly as general revenues of the Authority, as security
7 for any bonds issued by the Authority. The Authority may not
8 assign its right to receive Additional State Assistance or
9 Additional Financial Assistance, or direct payment of
10 Additional State Assistance or Additional Financial
11 Assistance, to a trustee or any other entity for the payment of
12 debt service on its bonds.

13 (f) The certification required under subsection (d) with
14 respect to outstanding bonds and notes of the Authority shall
15 be filed as early as practicable before the beginning of the
16 State fiscal year to which it relates. The certification shall
17 be revised as may be necessary to accurately state the debt
18 service requirements of the Authority.

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

22 (i) whether the aggregate of all system generated
23 revenues for public transportation in the metropolitan
24 region which is provided by, or under grant or purchase of
25 service contracts with, the Service Boards equals 50% of
26 the aggregate of all costs of providing such public

1 transportation. "System generated revenues" include all
2 the proceeds of fares and charges for services provided,
3 contributions received in connection with public
4 transportation from units of local government other than
5 the Authority and from the State pursuant to subsection (i)
6 of Section 2705-305 of the Department of Transportation Law
7 (20 ILCS 2705/2705-305), and all other revenues properly
8 included consistent with generally accepted accounting
9 principles but may not include: the proceeds from any
10 borrowing, and, beginning with the 2007 fiscal year, all
11 revenues and receipts, including but not limited to fares
12 and grants received from the federal, State or any unit of
13 local government or other entity, derived from providing
14 ADA paratransit service pursuant to Section 2.30 of the
15 Regional Transportation Authority Act. "Costs" include all
16 items properly included as operating costs consistent with
17 generally accepted accounting principles, including
18 administrative costs, but do not include: depreciation;
19 payment of principal and interest on bonds, notes or other
20 evidences of obligations for borrowed money of the
21 Authority; payments with respect to public transportation
22 facilities made pursuant to subsection (b) of Section 2.20;
23 any payments with respect to rate protection contracts,
24 credit enhancements or liquidity agreements made under
25 Section 4.14; any other cost as to which it is reasonably
26 expected that a cash expenditure will not be made; costs ~~up~~

1 ~~to \$5,000,000 annually~~ for passenger security including
2 grants, contracts, personnel, equipment and administrative
3 expenses, except in the case of the Chicago Transit
4 Authority, in which case the term does not include costs
5 spent annually by that entity for protection against crime
6 as required by Section 27a of the Metropolitan Transit
7 Authority Act; the costs of Debt Service paid by the
8 Chicago Transit Authority, as defined in Section 12c of the
9 Metropolitan Transit Authority Act, or bonds or notes
10 issued pursuant to that Section; the payment by the
11 Commuter Rail Division of debt service on bonds issued
12 pursuant to Section 3B.09; expenses incurred by the
13 Suburban Bus Division for the cost of new public
14 transportation services funded from grants pursuant to
15 Section 2.01e of this amendatory Act of the 95th General
16 Assembly for a period of 2 years from the date of
17 initiation of each such service; costs as exempted by the
18 Board for projects pursuant to Section 2.09 of this Act;
19 or, beginning with the 2007 fiscal year, expenses related
20 to providing ADA paratransit service pursuant to Section
21 2.30 of the Regional Transportation Authority Act; or in
22 fiscal years 2008 through 2012 inclusive, costs in the
23 amount of \$200,000,000 in fiscal year 2008, reducing by
24 \$40,000,000 in each fiscal year thereafter until this
25 exemption is eliminated. If said system generated revenues
26 are less than 50% of said costs, the Board shall remit an

1 amount equal to the amount of the deficit to the State. The
2 Treasurer shall deposit any such payment in the General
3 Revenue Fund; and

4 (ii) whether, beginning with the 2007 fiscal year, the
5 aggregate of all fares charged and received for ADA
6 paratransit services equals the system generated ADA
7 paratransit services revenue recovery ratio percentage of
8 the aggregate of all costs of providing such ADA
9 paratransit services.

10 (h) If the Authority makes any payment to the State under
11 paragraph (g), the Authority shall reduce the amount provided
12 to a Service Board from funds transferred under paragraph (a)
13 in proportion to the amount by which that Service Board failed
14 to meet its required system generated revenues recovery ratio.
15 A Service Board which is affected by a reduction in funds under
16 this paragraph shall submit to the Authority concurrently with
17 its next due quarterly report a revised budget incorporating
18 the reduction in funds. The revised budget must meet the
19 criteria specified in clauses (i) through (vi) of Section
20 4.11(b)(2). The Board shall review and act on the revised
21 budget as provided in Section 4.11(b)(3).

22 (Source: P.A. 94-370, eff. 7-29-05.)"; and

23 (70 ILCS 3615/4.11) (from Ch. 111 2/3, par. 704.11)

24 Sec. 4.11. Budget Review Powers.

25 (a) ~~The provisions of this Section shall only be applicable~~

1 ~~to financial periods beginning after December 31, 1983. The~~
2 ~~Transition Board shall adopt a timetable governing the~~
3 ~~certification of estimates and any submissions required under~~
4 ~~this Section for fiscal year 1984 which shall control over the~~
5 ~~provisions of this Act.~~ Based upon estimates which shall be
6 given to the Authority by the Director of the Governor's Office
7 of Management and Budget (formerly Bureau of the Budget) of the
8 receipts to be received by the Authority from the taxes imposed
9 by the Authority and the authorized estimates of amounts to be
10 available from State and other sources to the Service Boards,
11 and the times at which such receipts and amounts will be
12 available, the Board shall, not later than the next preceding
13 September 15th prior to the beginning of the Authority's next
14 fiscal year, advise each Service Board of the amounts estimated
15 by the Board to be available for such Service Board during such
16 fiscal year and the two following fiscal years and the times at
17 which such amounts will be available. The Board shall, at the
18 same time, also advise each Service Board of its required
19 system generated revenues recovery ratio for the next fiscal
20 year which shall be the percentage of the aggregate costs of
21 providing public transportation by or under jurisdiction of
22 that Service Board which must be recovered from system
23 generated revenues. The Board shall, at the same time,
24 beginning with the 2007 fiscal year, also advise each Service
25 Board that provides ADA paratransit services of its required
26 system generated ADA paratransit services revenue recovery

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

1 allocate the exemption of \$200,000,000 and the reducing amounts
2 of costs provided by this amendatory Act of the 95th General
3 Assembly from the farebox recovery ratio or system generated
4 revenues recovery ratio of each Service Board. For the fiscal
5 year beginning January 1, 1986 and ending December 31, 1986,
6 and for the fiscal year beginning January 1, 1987 and ending
7 December 31, 1987, the Board shall, by ordinance, provide that:
8 (1) the amount of a grant, pursuant to Section 2705-310 of the
9 Department of Transportation Law (20 ILCS 2705/2705-310), from
10 the Department of Transportation for the cost of services for
11 the mobility limited provided by the Chicago Transit Authority,
12 and (2) the amount of a grant, pursuant to Section 2705-310 of
13 the Department of Transportation Law (20 ILCS 2705/2705-310),
14 from the Department of Transportation for the cost of services
15 for the mobility limited by the Suburban Bus Board or the
16 Commuter Rail Board, be exempt from the farebox recovery ratio
17 or the system generated revenues recovery ratio.

18 (b) (1) Not later than the next preceding November 15 prior
19 to the commencement of such fiscal year, each Service Board
20 shall submit to the Authority its proposed budget for such
21 fiscal year and its proposed financial plan for the two
22 following fiscal years. Such budget and financial plan shall
23 (i) be prepared in the format, follow the financial and
24 budgetary practices, and be based on any assumptions and
25 projections required by the Authority and (ii) not project or
26 assume a receipt of revenues from the Authority in amounts

1 greater than those set forth in the estimates provided by the
2 Authority pursuant to subsection (a) of this Section.

3 (2) The Board shall review the proposed budget and two-year
4 financial plan submitted by each Service Board, ~~and shall adopt~~
5 ~~a consolidated budget and financial plan.~~ The Board shall
6 approve the budget and two-year financial plan of a Service
7 Board if:

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

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

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

23 (iii) ~~(iv)~~ such budget and plan provide for a level of
24 fares or charges and operating or administrative costs for
25 the public transportation provided by or subject to the
26 jurisdiction of such Service Board sufficient to allow the

1 Service Board to meet its required system generated revenue
2 recovery ratio and, beginning with the 2007 fiscal year,
3 system generated ADA paratransit services revenue recovery
4 ratio;

5 (iv) ~~(v)~~ such budget and plan are based upon and employ
6 assumptions and projections which are reasonable and
7 prudent;

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

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

14 (vii) such budget and plan are consistent with the
15 goals and objectives adopted by the Authority in the
16 Strategic Plan.

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

25 (4) Unless the Board by an affirmative vote of 12 ~~9~~ of the
26 then Directors determines that the budget and financial plan of

1 a Service Board meets the criteria specified in clauses (i)
2 ~~(ii)~~ through (vii) of subparagraph (2) of this paragraph (b),
3 the Board shall withhold from ~~not release to~~ that Service Board
4 25% of any funds for the periods covered by such budget and
5 financial plan except for the cash proceeds of taxes imposed by
6 the Authority under Section 4.03 and Section 4.03.1 and
7 received after February 1 and 25% of the amounts transferred to
8 the Authority from the Public Transportation Fund under Section
9 4.09(a) after February 1 that the Board has estimated to be
10 available to that Service Board under Section 4.11(a). Such
11 funding shall be released to the Service Board only upon
12 approval of a budget and financial plan under this Section or
13 adoption of a budget and financial plan on behalf of the
14 Service Board by the Authority ~~which are allocated to the~~
15 ~~Service Board under Section 4.01.~~

16 (5) If the Board has not found that the budget and
17 financial plan of a Service Board meets the criteria specified
18 in clauses (i) through (vii) of subparagraph (2) of this
19 paragraph (b), the Board, by the affirmative vote of at least
20 12 of its then Directors, shall ~~shall, five working days after~~
21 ~~the start of the Service Board's fiscal year~~ adopt a budget and
22 financial plan meeting such criteria for that Service Board.

23 (c)(1) If the Board shall at any time have received a
24 revised estimate, or revises any estimate the Board has made,
25 pursuant to this Section of the receipts to be collected by the
26 Authority which, in the judgment of the Board, requires a

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

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

24 (3) If the Board shall determine that a revised budget
25 submitted by a Service Board pursuant to subparagraph (1) or
26 (2) of this paragraph (c) does not meet the criteria specified

1 in clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of
2 paragraph (b) of this Section, the Board shall withhold from
3 ~~not release any monies to~~ that Service Board 25% of ~~except~~ the
4 cash proceeds of taxes imposed by the Authority under Section
5 4.03 or 4.03.1 and received by the Authority after February 1
6 and 25% of the amounts transferred to the Authority from the
7 Public Transportation Fund under Section 4.09(a) after
8 February 1 that the Board has estimated to be available ~~which~~
9 ~~are allocated to that~~ the Service Board under Section 4.11(a)
10 ~~4.01~~. If the Service Board submits a revised financial plan and
11 budget which plan and budget shows that the criteria will be
12 met within a four quarter period, the Board shall ~~continue to~~
13 release any such withheld funds to the Service Board. The Board
14 by the affirmative vote of at least 12 ~~a 9 vote~~ of its then
15 Directors may require a Service Board to submit a revised
16 financial plan and budget which shows that the criteria will be
17 met in a time period less than four quarters.

18 (d) All budgets and financial plans, financial statements,
19 audits and other information presented to the Authority
20 pursuant to this Section or which may be required by the Board
21 to permit it to monitor compliance with the provisions of this
22 Section shall be prepared and presented in such manner and
23 frequency and in such detail as shall have been prescribed by
24 the Board, shall be prepared on both an accrual and cash flow
25 basis as specified by the Board, shall present such information
26 as the Authority shall prescribe that fairly presents the

1 condition of any pension plan or trust for health care benefits
2 with respect to retirees established by the Service Board and
3 describes the plans of the Service Board to meet the
4 requirements of Sections 4.02a and 4.02b, and shall identify
5 and describe the assumptions and projections employed in the
6 preparation thereof to the extent required by the Board. If the
7 Executive Director certifies that a Service Board has not
8 presented its budget and two-year financial plan in conformity
9 with the rules adopted by the Authority under the provisions of
10 Section 4.01(f) and this subsection (d), and such certification
11 is accepted by the affirmative vote of at least 12 of the then
12 Directors of the Authority, the Authority shall not distribute
13 to that Service Board any funds for operating purposes in
14 excess of the amounts distributed for such purposes to the
15 Service Board in the previous fiscal year. Except when the
16 Board adopts a budget and a financial plan for a Service Board
17 under paragraph (b) (5), a Service Board shall provide for such
18 levels of transportation services and fares or charges therefor
19 as it deems appropriate and necessary in the preparation of a
20 budget and financial plan meeting the criteria set forth in
21 clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of paragraph
22 (b) of this Section. The Authority Board shall have access to
23 and the right to examine and copy all books, documents, papers,
24 records, or other source data of a Service Board relevant to
25 any information submitted pursuant to this Section.

26 (e) Whenever this Section requires the Board to make

1 determinations with respect to estimates, budgets or financial
2 plans, or rules or regulations with respect thereto such
3 determinations shall be made upon the affirmative vote of at
4 least 12 ~~9~~ of the then Directors and shall be incorporated in a
5 written report of the Board and such report shall be submitted
6 within 10 days after such determinations are made to the
7 Governor, the Mayor of Chicago (if such determinations relate
8 to the Chicago Transit Authority), and the Auditor General of
9 Illinois.

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

11 (70 ILCS 3615/4.13) (from Ch. 111 2/3, par. 704.13)

12 Sec. 4.13. Annual Capital Improvement Plan.

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

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

24 (ii) a certification by the Authority that the
25 Authority and the Service Boards have applied for all

1 grants, loans and other moneys made available by the
2 federal government or the State of Illinois during the
3 preceding federal and State fiscal years for financing its
4 capital development activities;

5 (iii) a certification that, as of September 30 of the
6 preceding calendar year or any later date, the balance of
7 all federal capital grant funds and all other funds to be
8 used as matching funds therefor which were committed to or
9 possessed by the Authority or a Service Board but which had
10 not been obligated was less than \$350,000,000, or a greater
11 amount as authorized in writing by the Governor (for
12 purposes of this subsection (a), "obligated" means
13 committed to be paid by the Authority or a Service Board
14 under a contract with a nongovernmental entity in
15 connection with the performance of a project or committed
16 under a force account plan approved by the federal
17 government);

18 (iv) a certification that the Authority has adopted a
19 balanced budget with respect to such calendar year under
20 Section 4.01 of this Act;

21 (v) a schedule of all bonds or notes previously issued
22 for Strategic Capital Improvement Projects and all debt
23 service payments to be made with respect to all such bonds
24 and the estimated additional debt service payments through
25 June 30 of the following calendar year expected to result
26 from bonds to be sold prior thereto;

1 (vi) a long-range summary of the Strategic Capital
2 Improvement Program describing the projects to be funded
3 through the Program with respect to project cost, category,
4 location, and implementing entity, and presenting a
5 financial plan including an estimated time schedule for
6 obligating funds for the performance of approved projects,
7 issuing bonds, expending bond proceeds and paying debt
8 service throughout the duration of the Program; and

9 (vii) the source of funding for each project in the
10 Plan. For any project for which full funding has not yet
11 been secured and which is not subject to a federal full
12 funding contract, the Authority must identify alternative,
13 dedicated funding sources available to complete the
14 project. The Governor may waive this requirement on a
15 project by project basis.

16 (b) The Authority shall submit the Plan with respect to any
17 calendar year to the Governor on or before January 15 of that
18 year, or as soon as possible thereafter; provided, however,
19 that the Plan shall be adopted on the affirmative votes of 12 ~~9~~
20 of the then Directors. The Plan may be revised or amended at
21 any time, but any revision in the projects approved shall
22 require the Governor's approval.

23 (c) The Authority shall seek approval from the Governor
24 only through the Plan or an amendment thereto. The Authority
25 shall not request approval of the Plan from the Governor in any
26 calendar year in which it is unable to make the certifications

1 required under items (ii), (iii) and (iv) of subsection (a). In
2 no event shall the Authority seek approval of the Plan from the
3 Governor for projects in an aggregate amount exceeding the
4 proceeds of bonds or notes for Strategic Capital Improvement
5 Projects issued under Section 4.04 of this Act.

6 (d) The Governor may approve the Plan for which approval is
7 requested. The Governor's approval is limited to the amount of
8 the project cost stated in the Plan. The Governor shall not
9 approve the Plan in a calendar year if the Authority is unable
10 to make the certifications required under items (ii), (iii) and
11 (iv) of subsection (a). In no event shall the Governor approve
12 the Plan for projects in an aggregate amount exceeding the
13 proceeds of bonds or notes for Strategic Capital Improvement
14 Projects issued under Section 4.04 of this Act.

15 (e) With respect to capital improvements, only those
16 capital improvements which are in a Plan approved by the
17 Governor shall be financed with the proceeds of bonds or notes
18 issued for Strategic Capital Improvement Projects.

19 (f) Before the Authority or a Service Board obligates any
20 funds for a project for which the Authority or Service Board
21 intends to use the proceeds of bonds or notes for Strategic
22 Capital Improvement Projects, but which project is not included
23 in an approved Plan, the Authority must notify the Governor of
24 the intended obligation. No project costs incurred prior to
25 approval of the Plan including that project may be paid from
26 the proceeds of bonds or notes for Strategic Capital

1 Improvement Projects issued under Section 4.04 of this Act.

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

3 (70 ILCS 3615/4.14) (from Ch. 111 2/3, par. 704.14)

4 Sec. 4.14. Rate Protection Contract. "Rate Protection
5 Contract" means interest rate price exchange agreements;
6 currency exchange agreements; forward payment conversion
7 agreements; contracts providing for payment or receipt of funds
8 based on levels of, or changes in, interest rates, currency
9 exchange rates, stock or other indices; contracts to exchange
10 cash flows or a series of payments; contracts, including
11 without limitation, interest rate caps; interest rate floor;
12 interest rate locks; interest rate collars; rate of return
13 guarantees or assurances, to manage payment, currency, rate,
14 spread or similar exposure; the obligation, right, or option to
15 issue, put, lend, sell, grant a security interest in, buy,
16 borrow or otherwise acquire, a bond, note or other security or
17 interest therein as an investment, as collateral, as a hedge,
18 or otherwise as a source or assurance of payment to or by the
19 Authority or as a reduction of the Authority's or an obligor's
20 risk exposure; repurchase agreements; securities lending
21 agreements; and other agreements or arrangements similar to the
22 foregoing.

23 Notwithstanding any provision in Section 2.20 (a) (ii) of
24 this Act to the contrary, in connection with or incidental to
25 the issuance by the Authority of its bonds or notes under the

1 provisions of Section 4.04 or the exercise of its powers under
2 subsection (b) of Section 2.20, the Authority, for its own
3 benefit or for the benefit of the holders of its obligations or
4 their trustee, may enter into rate protection contracts. The
5 Authority may enter into rate protection contracts only
6 pursuant to a determination by a vote of 12 ~~9~~ of the then
7 Directors that the terms of the contracts and any related
8 agreements reduce the risk of loss to the Authority, or
9 protect, preserve or enhance the value of its assets, or
10 provide compensation to the Authority for losses resulting from
11 changes in interest rates. The Authority's obligations under
12 any rate protection contract or credit enhancement or liquidity
13 agreement shall not be considered bonds or notes for purposes
14 of this Act. For purposes of this Section a rate protection
15 contract is a contract determined by the Authority as necessary
16 or appropriate to permit it to manage payment, currency or
17 interest rate risks or levels.

18 (Source: P.A. 87-764.)

19 (70 ILCS 3615/5.01) (from Ch. 111 2/3, par. 705.01)

20 Sec. 5.01. Hearings and Citizen Participation.

21 (a) The Authority shall provide for and encourage
22 participation by the public in the development and review of
23 public transportation policy, and in the process by which major
24 decisions significantly affecting the provision of public
25 transportation are made. The Authority shall coordinate such

1 public participation processes with the Chicago Metropolitan
2 Agency for Planning to the extent practicable.

3 (b) The Authority shall hold such public hearings as may be
4 required by this Act or as the Authority may deem appropriate
5 to the performance of any of its functions. The Authority shall
6 coordinate such public hearings with the Chicago Metropolitan
7 Agency for Planning to the extent practicable.

8 (c) Unless such items are specifically provided for either
9 in the Five-Year Capital Program or in the annual budget
10 program which has been the subject of public hearings as
11 provided in Sections 2.01 or 4.01 of this Act, the Board shall
12 hold public hearings at which citizens may be heard prior to:

13 (i) the construction or acquisition of any public
14 transportation facility, the aggregate cost of which exceeds \$5
15 million; and

16 (ii) the extension of, or major addition to services
17 provided by the Authority or by any transportation agency
18 pursuant to a purchase of service agreement with the Authority.

19 (d) Unless such items are specifically provided for in the
20 annual budget and program which has been the subject of public
21 hearing, as provided in Section 4.01 of this Act, the Board
22 shall hold public hearings at which citizens may be heard prior
23 to the providing for or allowing, by means of any purchase of
24 service agreement or any grant pursuant to Section 2.02 of this
25 Act, any general increase or series of increases in fares or
26 charges for public transportation, whether by the Authority or

1 by any transportation agency, which increase or series of
2 increases within any twelve months affects more than 25% of the
3 consumers of service of the Authority or of the transportation
4 agency; or so providing for or allowing any discontinuance of
5 any public transportation route, or major portion thereof,
6 which has been in service for more than a year.

7 (e) At least twenty days prior notice of any public
8 hearing, as required in this Section, shall be given by public
9 advertisement in a newspaper of general circulation in the
10 metropolitan region.

11 (f) The Authority may designate one or more Directors or
12 may appoint one or more hearing officers to preside over any
13 hearing pursuant to this Act. The Authority shall have the
14 power in connection with any such hearing to issue subpoenas to
15 require the attendance of witnesses and the production of
16 documents, and the Authority may apply to any circuit court in
17 the State to require compliance with such subpoenas.

18 (g) The Authority may require any Service Board to hold one
19 or more public hearings with respect to any item described in
20 paragraphs (c) and (d) of this Section 5.01, notwithstanding
21 whether such item has been the subject of a public hearing
22 under this Section 5.01 or Section 2.01 or 4.01 of this Act.

23 (Source: P.A. 78-3rd S.S.-5.)

24 (70 ILCS 3615/2.12a rep.)

25 (70 ILCS 3615/3.09 rep.)

1 (70 ILCS 3615/3.10 rep.)

2 Section 25. The Regional Transportation Authority Act is
3 amended by repealing Sections 2.12a, 3.09, and 3.10.

4 Section 97. Severability. The provisions of this Act are
5 severable under Section 1.31 of the Statute on Statutes.

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.".