



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, 2-6, 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 District serving primarily Madison
19 County, beginning July 1, 2008, the Madison County Transit
20 District shall no longer be included for new appropriation
21 funding purposes as part of the Metro-East Public
22 Transportation Fund and instead shall be included for new
23 appropriation funding purposes as part of the Downstate Public
24 Transportation Fund; provided, however, that nothing herein
25 shall alter the eligibility of that District for previously
26 appropriated funds to which it would otherwise be entitled.

1 With respect to the fiscal year beginning July 1, 2007, and
2 thereafter, the following shall be included for new
3 appropriation funding purposes as part of the Downstate Public
4 Transportation Fund: Bond County; Bureau County; Coles County;
5 Edgar County; Stephenson County and the City of Freeport; Henry
6 County; Jo Daviess County; Kankakee and McLean Counties; Peoria
7 County; Piatt County; Shelby County; Tazewell and Woodford
8 Counties; Vermillion County; Williamson County; and Kendall
9 County.

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

11 (30 ILCS 740/2-3) (from Ch. 111 2/3, par. 663)

12 Sec. 2-3. (a) As soon as possible after the first day of
13 each month, beginning July 1, 1984, upon certification of the
14 Department of Revenue, the Comptroller shall order
15 transferred, and the Treasurer shall transfer, from the General
16 Revenue Fund to a special fund in the State Treasury which is
17 hereby created, to be known as the "Downstate Public
18 Transportation Fund", an amount equal to 2/32 (beginning July
19 1, 2005, 3/32) of the net revenue realized from the "Retailers'
20 Occupation Tax Act", as now or hereafter amended, the "Service
21 Occupation Tax Act", as now or hereafter amended, the "Use Tax
22 Act", as now or hereafter amended, and the "Service Use Tax
23 Act", as now or hereafter amended, from persons incurring
24 municipal or county retailers' or service occupation tax
25 liability for the benefit of any municipality or county located

1 wholly within the boundaries of each participant other than any
2 Metro-East Transit District participant certified pursuant to
3 subsection (c) of this Section during the preceding month,
4 except that the Department shall pay into the Downstate Public
5 Transportation Fund 2/32 (beginning July 1, 2005, 3/32) of 80%
6 of the net revenue realized under the State tax Acts named
7 above within any municipality or county located wholly within
8 the boundaries of each participant, other than any Metro-East
9 participant, for tax periods beginning on or after January 1,
10 1990; ~~provided, however, that beginning with fiscal year 1985,~~
11 ~~the transfers into the Downstate Public Transportation Fund~~
12 ~~during any fiscal year shall not exceed the annual~~
13 ~~appropriation from the Downstate Public Transportation Fund~~
14 ~~for that year. The Department of Transportation shall notify~~
15 ~~the Department of Revenue and the Comptroller at the beginning~~
16 ~~of each fiscal year of the amount of the annual appropriation~~
17 ~~from the Downstate Public Transportation Fund.~~ Net revenue
18 realized for a month shall be the revenue collected by the
19 State pursuant to such Acts during the previous month from
20 persons incurring municipal or county retailers' or service
21 occupation tax liability for the benefit of any municipality or
22 county located wholly within the boundaries of a participant,
23 less the amount paid out during that same month as refunds or
24 credit memoranda to taxpayers for overpayment of liability
25 under such Acts for the benefit of any municipality or county
26 located wholly within the boundaries of a participant.

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

24 (b-5) As soon as possible after the first day of each
25 month, beginning July 1, 2005, upon certification of the
26 Department of Revenue, the Comptroller shall order

1 transferred, and the Treasurer shall transfer, from the General
2 Revenue Fund to the Downstate Public Transportation Fund, an
3 amount equal to 3/32 of 80% of the net revenue realized from
4 within the boundaries of Monroe and St. Clair Counties under
5 the State Tax Acts specified in subsection (a) of this Section
6 and provided further that, beginning July 1, 2005, the
7 provisions of subsection (b) shall no longer apply with respect
8 to such tax receipts from Monroe and St. Clair Counties.

9 (b-6) As soon as possible after the first day of each
10 month, beginning July 1, 2008, upon certification by the
11 Department of Revenue, the Comptroller shall order transferred
12 and the Treasurer shall transfer, from the General Revenue Fund
13 to the Downstate Public Transportation Fund, an amount equal to
14 3/32 of 80% of the net revenue realized from within the
15 boundaries of Madison County under the State Tax Acts specified
16 in subsection (a) of this Section and provided further that,
17 beginning July 1, 2008, the provisions of subsection (b) shall
18 no longer apply with respect to such tax receipts from Madison
19 County.

20 (c) The Department shall certify to the Department of
21 Revenue the eligible participants under this Article and the
22 territorial boundaries of such participants for the purposes of
23 the Department of Revenue in subsections (a) and (b) of this
24 Section.

25 (d) For the purposes of this Article the Department shall
26 include in its annual request for appropriation of ordinary and

1 contingent expenses an amount equal to the sum total funds
2 projected to be paid to the participants pursuant to Section
3 2-7.

4 ~~(c) In addition to any other permitted use of moneys in the~~
5 ~~Fund, and notwithstanding any restriction on the use of the~~
6 ~~Fund, moneys in the Downstate Public Transportation Fund may be~~
7 ~~transferred to the General Revenue Fund as authorized by Public~~
8 ~~Act 87-14. The General Assembly finds that an excess of moneys~~
9 ~~existed in the Fund on July 30, 1991, and the Governor's order~~
10 ~~of July 30, 1991, and the Governor's order of July 30, 1991,~~
11 ~~requesting the Comptroller and Treasurer to transfer an amount~~
12 ~~from the Fund to the General Revenue Fund is hereby validated.~~

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

14 (30 ILCS 740/2-6) (from Ch. 111 2/3, par. 666)

15 Sec. 2-6. Allocation of funds.

16 (a) With respect to all participants other than any
17 Metro-East Transit District participant, the Department shall
18 allocate the funds to be made available to each participant
19 under this Article for the following fiscal year and shall
20 notify the chief official of each participant not later than
21 the first day of the fiscal year of this amount. For Fiscal
22 Year 1975, notification shall be made not later than January 1,
23 1975, of the amount of such allocation. In determining the
24 allocation for each participant, the Department shall estimate
25 the funds available to the participant from the Downstate

1 Public Transportation Fund for the purposes of this Article
2 during the succeeding fiscal year, and shall allocate to each
3 participant the amount attributable to it which shall be the
4 amount paid into the Downstate Public Transportation Fund under
5 Section 2-3 from within its boundaries. Said allocations may be
6 exceeded for participants receiving assistance equal to
7 one-third of their eligible operating expenses, only if an
8 allocation is less than one-third of such participant's
9 eligible operating expenses, provided, however, that no other
10 participant is denied its one-third of eligible operating
11 expenses. Beginning in Fiscal Year 1997, said allocation may be
12 exceeded for participants receiving assistance equal to the
13 percentage of their eligible operating expenses provided for in
14 paragraph (b) of Section 2-7, only if allocation is less than
15 the percentage of such participant's eligible operating
16 expenses provided for in paragraph (b) of Section 2-7, provided
17 however, that no other participant is denied its percentage of
18 eligible operating expenses.

19 (b) With regard to any Metro-East Transit District
20 organized under the Local Mass Transit District Act and serving
21 one or more of the Counties of Madison, Monroe and St. Clair
22 during Fiscal Year 1989, the Department shall allocate the
23 funds to be made available to each participant for the
24 following and succeeding fiscal years and shall notify the
25 chief official of each participant not later than the first day
26 of the fiscal year of this amount. Beginning July 1, 2005, and

1 ending June 30, 2008, the Department shall allocate the amount
2 paid into the Metro-East Public Transportation Fund to the
3 District serving primarily the County of Madison.

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

5 (30 ILCS 740/2-7) (from Ch. 111 2/3, par. 667)

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

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

20 (b) Each participant other than any Metro-East Transit
21 District participant shall, 30 days before the end of each
22 quarter, file with the Department on forms provided by the
23 Department for such purposes a report of the projected eligible
24 operating expenses to be incurred in the next quarter and 30
25 days before the third and fourth quarters of any fiscal year a

1 statement of actual eligible operating expenses incurred in the
2 preceding quarters. Except as otherwise provided in subsection
3 (b-5), within 45 days of receipt by the Department of such
4 quarterly report, the Comptroller shall order paid and the
5 Treasurer shall pay from the Downstate Public Transportation
6 Fund to each participant an amount equal to one-third of such
7 participant's eligible operating expenses; provided, however,
8 that in Fiscal Year 1997, the amount paid to each participant
9 from the Downstate Public Transportation Fund shall be an
10 amount equal to 47% of such participant's eligible operating
11 expenses and shall be increased to 49% in Fiscal Year 1998, 51%
12 in Fiscal Year 1999, 53% in Fiscal Year 2000, ~~and~~ 55% in Fiscal
13 Years Year 2001 through 2007, 65% in Fiscal Year 2008, and 70%
14 in Fiscal Year 2009 and thereafter; however, in any year that a
15 participant receives funding under subsection (i) of Section
16 2705-305 of the Department of Transportation Law (20 ILCS
17 2705/2705-305), that participant shall be eligible only for
18 assistance equal to the following percentage of its eligible
19 operating expenses: 42% in Fiscal Year 1997, 44% in Fiscal Year
20 1998, 46% in Fiscal Year 1999, 48% in Fiscal Year 2000, and 50%
21 in Fiscal Year 2001 and thereafter. Any such payment for the
22 third and fourth quarters of any fiscal year shall be adjusted
23 to reflect actual eligible operating expenses for preceding
24 quarters of such fiscal year. However, no participant shall
25 receive an amount less than that which was received in the
26 immediate prior year, provided in the event of a shortfall in

1 the fund those participants receiving less than their full
2 allocation pursuant to Section 2-6 of this Article shall be the
3 first participants to receive an amount not less than that
4 received in the immediate prior year.

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

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

26 (b-15) Beginning on July 1, 2007, and for each fiscal year

1 thereafter, each participant shall maintain a minimum local
2 share contribution (from farebox and all other local revenues)
3 equal to the actual amount provided in Fiscal Year 2006 or, for
4 new recipients, an amount equivalent to the local share
5 provided in the first year of participation.

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

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

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

1 (30 ILCS 740/2-15) (from Ch. 111 2/3, par. 675.1)

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

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

2 Section 7.5. The Retailers' Occupation Tax Act is amended
3 by changing Section 3 as follows:

4 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

10 1. The name of the seller;

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

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

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

1 is filed;

2 5. Deductions allowed by law;

3 6. Gross receipts which were received by him during the
4 preceding calendar month or quarter and upon the basis of
5 which the tax is imposed;

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

8 8. The amount of tax due;

9 9. The signature of the taxpayer; and

10 10. Such other reasonable information as the
11 Department may require.

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

16 Each return shall be accompanied by the statement of
17 prepaid tax issued pursuant to Section 2e for which credit is
18 claimed.

19 Prior to October 1, 2003, and on and after September 1,
20 2004 a retailer may accept a Manufacturer's Purchase Credit
21 certification from a purchaser in satisfaction of Use Tax as
22 provided in Section 3-85 of the Use Tax Act if the purchaser
23 provides the appropriate documentation as required by Section
24 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
25 certification, accepted by a retailer prior to October 1, 2003
26 and on and after September 1, 2004 as provided in Section 3-85

1 of the Use Tax Act, may be used by that retailer to satisfy
2 Retailers' Occupation Tax liability in the amount claimed in
3 the certification, not to exceed 6.25% of the receipts subject
4 to tax from a qualifying purchase. A Manufacturer's Purchase
5 Credit reported on any original or amended return filed under
6 this Act after October 20, 2003 for reporting periods prior to
7 September 1, 2004 shall be disallowed. Manufacturer's
8 Purchaser Credit reported on annual returns due on or after
9 January 1, 2005 will be disallowed for periods prior to
10 September 1, 2004. No Manufacturer's Purchase Credit may be
11 used after September 30, 2003 through August 31, 2004 to
12 satisfy any tax liability imposed under this Act, including any
13 audit liability.

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

21 1. The name of the seller;

22 2. The address of the principal place of business from
23 which he engages in the business of selling tangible
24 personal property at retail in this State;

25 3. The total amount of taxable receipts received by him
26 during the preceding calendar month from sales of tangible

1 personal property by him during such preceding calendar
2 month, including receipts from charge and time sales, but
3 less all deductions allowed by law;

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

6 5. The amount of tax due; and

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

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

23 Beginning on October 1, 2003, every distributor, importing
24 distributor, and manufacturer of alcoholic liquor as defined in
25 the Liquor Control Act of 1934, shall file a statement with the
26 Department of Revenue, no later than the 10th day of the month

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

25 Beginning with the month immediately following the
26 effective date of this amendatory Act of the 95th General

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

24 If a total amount of less than \$1 is payable, refundable or
25 creditable, such amount shall be disregarded if it is less than
26 50 cents and shall be increased to \$1 if it is 50 cents or more.

1 Beginning October 1, 1993, a taxpayer who has an average
2 monthly tax liability of \$150,000 or more shall make all
3 payments required by rules of the Department by electronic
4 funds transfer. Beginning October 1, 1994, a taxpayer who has
5 an average monthly tax liability of \$100,000 or more shall make
6 all payments required by rules of the Department by electronic
7 funds transfer. Beginning October 1, 1995, a taxpayer who has
8 an average monthly tax liability of \$50,000 or more shall make
9 all payments required by rules of the Department by electronic
10 funds transfer. Beginning October 1, 2000, a taxpayer who has
11 an annual tax liability of \$200,000 or more shall make all
12 payments required by rules of the Department by electronic
13 funds transfer. The term "annual tax liability" shall be the
14 sum of the taxpayer's liabilities under this Act, and under all
15 other State and local occupation and use tax laws administered
16 by the Department, for the immediately preceding calendar year.
17 The term "average monthly tax liability" shall be the sum of
18 the taxpayer's liabilities under this Act, and under all other
19 State and local occupation and use tax laws administered by the
20 Department, for the immediately preceding calendar year
21 divided by 12. Beginning on October 1, 2002, a taxpayer who has
22 a tax liability in the amount set forth in subsection (b) of
23 Section 2505-210 of the Department of Revenue Law shall make
24 all payments required by rules of the Department by electronic
25 funds transfer.

26 Before August 1 of each year beginning in 1993, the

1 Department shall notify all taxpayers required to make payments
2 by electronic funds transfer. All taxpayers required to make
3 payments by electronic funds transfer shall make those payments
4 for a minimum of one year beginning on October 1.

5 Any taxpayer not required to make payments by electronic
6 funds transfer may make payments by electronic funds transfer
7 with the permission of the Department.

8 All taxpayers required to make payment by electronic funds
9 transfer and any taxpayers authorized to voluntarily make
10 payments by electronic funds transfer shall make those payments
11 in the manner authorized by the Department.

12 The Department shall adopt such rules as are necessary to
13 effectuate a program of electronic funds transfer and the
14 requirements of this Section.

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

22 If the retailer is otherwise required to file a monthly
23 return and if the retailer's average monthly tax liability to
24 the Department does not exceed \$200, the Department may
25 authorize his returns to be filed on a quarter annual basis,
26 with the return for January, February and March of a given year

1 being due by April 20 of such year; with the return for April,
2 May and June of a given year being due by July 20 of such year;
3 with the return for July, August and September of a given year
4 being due by October 20 of such year, and with the return for
5 October, November and December of a given year being due by
6 January 20 of the following year.

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

13 Such quarter annual and annual returns, as to form and
14 substance, shall be subject to the same requirements as monthly
15 returns.

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

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

1 shall file separate returns for each such registered business.

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

25 Any retailer who sells only motor vehicles, watercraft,
26 aircraft, or trailers that are required to be registered with

1 an agency of this State, so that all retailers' occupation tax
2 liability is required to be reported, and is reported, on such
3 transaction reporting returns and who is not otherwise required
4 to file monthly or quarterly returns, need not file monthly or
5 quarterly returns. However, those retailers shall be required
6 to file returns on an annual basis.

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

1 require.

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

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

1 agency or State officer determine that this procedure will
2 expedite the processing of applications for title or
3 registration.

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

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

25 If the user who would otherwise pay tax to the retailer
26 wants the transaction reporting return filed and the payment of

1 the tax or proof of exemption made to the Department before the
2 retailer is willing to take these actions and such user has not
3 paid the tax to the retailer, such user may certify to the fact
4 of such delay by the retailer and may (upon the Department
5 being satisfied of the truth of such certification) transmit
6 the information required by the transaction reporting return
7 and the remittance for tax or proof of exemption directly to
8 the Department and obtain his tax receipt or exemption
9 determination, in which event the transaction reporting return
10 and tax remittance (if a tax payment was required) shall be
11 credited by the Department to the proper retailer's account
12 with the Department, but without the 2.1% or 1.75% discount
13 provided for in this Section being allowed. When the user pays
14 the tax directly to the Department, he shall pay the tax in the
15 same amount and in the same form in which it would be remitted
16 if the tax had been remitted to the Department by the retailer.

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

25 Where the seller is a corporation, the return filed on
26 behalf of such corporation shall be signed by the president,

1 vice-president, secretary or treasurer or by the properly
2 accredited agent of such corporation.

3 Where the seller is a limited liability company, the return
4 filed on behalf of the limited liability company shall be
5 signed by a manager, member, or properly accredited agent of
6 the limited liability company.

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

22 Before October 1, 2000, if the taxpayer's average monthly
23 tax liability to the Department under this Act, the Use Tax
24 Act, the Service Occupation Tax Act, and the Service Use Tax
25 Act, excluding any liability for prepaid sales tax to be
26 remitted in accordance with Section 2d of this Act, was \$10,000

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

1 payment shall be in an amount equal to 22.5% of the taxpayer's
2 actual liability for the month or 27.5% of the taxpayer's
3 liability for the same calendar month of the preceding year. If
4 the month during which such tax liability is incurred begins on
5 or after January 1, 1987 and prior to January 1, 1988, each
6 payment shall be in an amount equal to 22.5% of the taxpayer's
7 actual liability for the month or 26.25% of the taxpayer's
8 liability for the same calendar month of the preceding year. If
9 the month during which such tax liability is incurred begins on
10 or after January 1, 1988, and prior to January 1, 1989, or
11 begins on or after January 1, 1996, each payment shall be in an
12 amount equal to 22.5% of the taxpayer's actual liability for
13 the month or 25% of the taxpayer's liability for the same
14 calendar month of the preceding year. If the month during which
15 such tax liability is incurred begins on or after January 1,
16 1989, and prior to January 1, 1996, each payment shall be in an
17 amount equal to 22.5% of the taxpayer's actual liability for
18 the month or 25% of the taxpayer's liability for the same
19 calendar month of the preceding year or 100% of the taxpayer's
20 actual liability for the quarter monthly reporting period. The
21 amount of such quarter monthly payments shall be credited
22 against the final tax liability of the taxpayer's return for
23 that month. Before October 1, 2000, once applicable, the
24 requirement of the making of quarter monthly payments to the
25 Department by taxpayers having an average monthly tax liability
26 of \$10,000 or more as determined in the manner provided above

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

1 that his average monthly tax liability for the reasonably
2 foreseeable future will fall below the \$20,000 threshold stated
3 above, then such taxpayer may petition the Department for a
4 change in such taxpayer's reporting status. The Department
5 shall change such taxpayer's reporting status unless it finds
6 that such change is seasonal in nature and not likely to be
7 long term. If any such quarter monthly payment is not paid at
8 the time or in the amount required by this Section, then the
9 taxpayer shall be liable for penalties and interest on the
10 difference between the minimum amount due as a payment and the
11 amount of such quarter monthly payment actually and timely
12 paid, except insofar as the taxpayer has previously made
13 payments for that month to the Department in excess of the
14 minimum payments previously due as provided in this Section.
15 The Department shall make reasonable rules and regulations to
16 govern the quarter monthly payment amount and quarter monthly
17 payment dates for taxpayers who file on other than a calendar
18 monthly basis.

19 The provisions of this paragraph apply before October 1,
20 2001. Without regard to whether a taxpayer is required to make
21 quarter monthly payments as specified above, any taxpayer who
22 is required by Section 2d of this Act to collect and remit
23 prepaid taxes and has collected prepaid taxes which average in
24 excess of \$25,000 per month during the preceding 2 complete
25 calendar quarters, shall file a return with the Department as
26 required by Section 2f and shall make payments to the

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

1 previously made payments for that month in excess of the
2 minimum payments previously due.

3 The provisions of this paragraph apply on and after October
4 1, 2001. Without regard to whether a taxpayer is required to
5 make quarter monthly payments as specified above, any taxpayer
6 who is required by Section 2d of this Act to collect and remit
7 prepaid taxes and has collected prepaid taxes that average in
8 excess of \$20,000 per month during the preceding 4 complete
9 calendar quarters shall file a return with the Department as
10 required by Section 2f and shall make payments to the
11 Department on or before the 7th, 15th, 22nd and last day of the
12 month during which the liability is incurred. Each payment
13 shall be in an amount equal to 22.5% of the taxpayer's actual
14 liability for the month or 25% of the taxpayer's liability for
15 the same calendar month of the preceding year. The amount of
16 the quarter monthly payments shall be credited against the
17 final tax liability of the taxpayer's return for that month
18 filed under this Section or Section 2f, as the case may be.
19 Once applicable, the requirement of the making of quarter
20 monthly payments to the Department pursuant to this paragraph
21 shall continue until the taxpayer's average monthly prepaid tax
22 collections during the preceding 4 complete calendar quarters
23 (excluding the month of highest liability and the month of
24 lowest liability) is less than \$19,000 or until such taxpayer's
25 average monthly liability to the Department as computed for
26 each calendar quarter of the 4 preceding complete calendar

1 quarters is less than \$20,000. If any such quarter monthly
2 payment is not paid at the time or in the amount required, the
3 taxpayer shall be liable for penalties and interest on such
4 difference, except insofar as the taxpayer has previously made
5 payments for that month in excess of the minimum payments
6 previously due.

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

1 due, and that taxpayer shall be liable for penalties and
2 interest on such difference.

3 If a retailer of motor fuel is entitled to a credit under
4 Section 2d of this Act which exceeds the taxpayer's liability
5 to the Department under this Act for the month which the
6 taxpayer is filing a return, the Department shall issue the
7 taxpayer a credit memorandum for the excess.

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

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

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

1 Beginning January 1, 1990, each month the Department shall
2 pay into the Local Government Tax Fund 16% of the net revenue
3 realized for the preceding month from the 6.25% general rate on
4 the selling price of tangible personal property.

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

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

1 "Annual Specified Amount" means the amounts specified below for
2 fiscal years 1986 through 1993:

3	Fiscal Year	Annual Specified Amount
4	1986	\$54,800,000
5	1987	\$76,650,000
6	1988	\$80,480,000
7	1989	\$88,510,000
8	1990	\$115,330,000
9	1991	\$145,470,000
10	1992	\$182,730,000
11	1993	\$206,520,000;

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

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

1 sentence shall be deemed to constitute payments pursuant to
 2 clause (b) of the first sentence of this paragraph and shall
 3 reduce the amount otherwise payable for such fiscal year
 4 pursuant to that clause (b). The moneys received by the
 5 Department pursuant to this Act and required to be deposited
 6 into the Build Illinois Fund are subject to the pledge, claim
 7 and charge set forth in Section 12 of the Build Illinois Bond
 8 Act.

9 Subject to payment of amounts into the Build Illinois Fund
 10 as provided in the preceding paragraph or in any amendment
 11 thereto hereafter enacted, the following specified monthly
 12 installment of the amount requested in the certificate of the
 13 Chairman of the Metropolitan Pier and Exposition Authority
 14 provided under Section 8.25f of the State Finance Act, but not
 15 in excess of sums designated as "Total Deposit", shall be
 16 deposited in the aggregate from collections under Section 9 of
 17 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 18 9 of the Service Occupation Tax Act, and Section 3 of the
 19 Retailers' Occupation Tax Act into the McCormick Place
 20 Expansion Project Fund in the specified fiscal years.

21	Fiscal Year	Total Deposit
22	1993	\$0
23	1994	53,000,000
24	1995	58,000,000
25	1996	61,000,000

1	1997	64,000,000
2	1998	68,000,000
3	1999	71,000,000
4	2000	75,000,000
5	2001	80,000,000
6	2002	93,000,000
7	2003	99,000,000
8	2004	103,000,000
9	2005	108,000,000
10	2006	113,000,000
11	2007	119,000,000
12	2008	126,000,000
13	2009	132,000,000
14	2010	139,000,000
15	2011	146,000,000
16	2012	153,000,000
17	2013	161,000,000
18	2014	170,000,000
19	2015	179,000,000
20	2016	189,000,000
21	2017	199,000,000
22	2018	210,000,000
23	2019	221,000,000
24	2020	233,000,000
25	2021	246,000,000
26	2022	260,000,000

1 2023 and 275,000,000
2 each fiscal year
3 thereafter that bonds
4 are outstanding under
5 Section 13.2 of the
6 Metropolitan Pier and
7 Exposition Authority Act,
8 but not after fiscal year 2042.

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

22 Subject to payment of amounts into the Build Illinois Fund
23 and the McCormick Place Expansion Project Fund pursuant to the
24 preceding paragraphs or in any amendments thereto hereafter
25 enacted, beginning July 1, 1993, the Department shall each
26 month pay into the Illinois Tax Increment Fund 0.27% of 80% of

1 the net revenue realized for the preceding month from the 6.25%
2 general rate on the selling price of tangible personal
3 property.

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

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

23 The Department may, upon separate written notice to a
24 taxpayer, require the taxpayer to prepare and file with the
25 Department on a form prescribed by the Department within not
26 less than 60 days after receipt of the notice an annual

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

20 If the annual information return required by this Section
21 is not filed when and as required, the taxpayer shall be liable
22 as follows:

23 (i) Until January 1, 1994, the taxpayer shall be liable
24 for a penalty equal to 1/6 of 1% of the tax due from such
25 taxpayer under this Act during the period to be covered by
26 the annual return for each month or fraction of a month

1 until such return is filed as required, the penalty to be
2 assessed and collected in the same manner as any other
3 penalty provided for in this Act.

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

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

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

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

26 Net revenue realized for a month shall be the revenue

1 collected by the State pursuant to this Act, less the amount
2 paid out during that month as refunds to taxpayers for
3 overpayment of liability.

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

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

1 exceed \$250.

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

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

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

1 (35 ILCS 735/3-7.7 new)

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

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

10 First occurrence \$ 250

11 Second and each occurrence thereafter \$1,000

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

17 First occurrence \$ 250

18 Second and each occurrence thereafter \$1,000

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

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

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

3 (40 ILCS 5/22-101) (from Ch. 108 1/2, par. 22-101)

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

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

1 ~~such private corporations.~~

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

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

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

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

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

1 authority, and obligations as are usual and customary for such
2 fiduciaries.

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

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

25 For all Authority employees who are first hired on or after
26 January 1, 2008 and are participants in the Retirement Plan for

1 Chicago Transit Authority Employees, the following terms,
2 conditions and provisions with respect to retirement shall be
3 applicable:

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

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

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

25 (d) From the effective date of this amendatory Act through
26 December 31, 2008, all participating employees shall

1 contribute to the Retirement Plan in an amount not less than 6%
2 of compensation, and the Authority shall contribute to the
3 Retirement Plan in an amount not less than 12% of compensation.

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

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

23 (3) By September 15 of each year beginning in 2009 and
24 ending on December 31, 2038, on the basis of a report prepared
25 by an enrolled actuary retained by the Plan, the Board of
26 Trustees of the Retirement Plan shall determine the estimated

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

1 as a level percentage of payroll over the years remaining until
2 2039 using the projected unit credit actuarial cost method so
3 the funded ratio does not decline below 60%, or, in the event
4 of an actual decline below 60%, so the funded ratio is
5 projected to reach 60% by no later than 10 years after the then
6 current year. If the Board of Trustees or the Auditor General
7 determine that an increased contribution is required to meet
8 the funded ratio required by the subsection, effective January
9 1 following the determination or 30 days after such
10 determination, whichever is later, one-third of the increased
11 contribution shall be paid by participating employees and
12 two-thirds by the Authority, in addition to the contributions
13 required by this subsection (1).

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

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

1 participating employees and two-thirds by the Authority, in
2 addition to the contributions required by subsection (e) (1).

3 (5) Beginning in 2059, the minimum contribution for each
4 year shall be the amount needed to maintain the total assets of
5 the Retirement Plan at 90% of the total actuarial liabilities
6 of the Plan, and the contribution shall be funded two-thirds by
7 the Authority and one-third by the participating employees in
8 accordance with this subsection.

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

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

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

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

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

11 Provided, however that:

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

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

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

26 Provided, however that:

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

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

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

15 Provided, however that:

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

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

24 (B) Two percent (2%) of his "Average Annual
25 Compensation in the highest four (4) completed Plan Years"
26 for each year (including fractions thereof to completed

1 calendar months) of continuous service as provided for in
2 the Retirement Plan for Chicago Transit Authority
3 Employees.

4 Provided, however that:

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

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

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

19 The changes made by this amendatory Act of the 95th General
20 Assembly, to the extent that they affect the rights or
21 privileges of Authority employees that are currently the
22 subject of collective bargaining, have been agreed to between
23 the authorized representatives of these employees and of the
24 Authority prior to enactment of this amendatory Act, as
25 evidenced by a Memorandum of Understanding between these
26 representatives that will be filed with the Secretary of State

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

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

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

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

25 (j) Nothing in this amendatory Act of the 95th General
26 Assembly shall impair the rights or privileges of Authority

1 employees under any other law.

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

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

26 ~~For purposes of determining employer contributions and~~

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

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

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

25 ~~(e) This amendatory Act of the 94th General Assembly does~~
26 ~~not affect or impair the right of either the Authority or its~~

1 ~~employees to collectively bargain the amount or level of~~
2 ~~employee contributions to the retirement system.~~

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

4 (40 ILCS 5/22-101B new)

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

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

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

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

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

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

22 Each trustee shall cast individual votes, and a
23 majority vote shall be final and binding upon all
24 interested parties, provided that the Board of Trustees may
25 require a supermajority vote with respect to the investment
26 of the assets of the Retiree Health Care Trust, and may set

1 forth that requirement in the trust agreement or by-laws of
2 the Board of Trustees. Each trustee shall have the rights,
3 privileges, authority and obligations as are usual and
4 customary for such fiduciaries.

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

13 (3) The Retiree Health Care Trust shall be administered
14 by the Board of Trustees according to the following
15 requirements:

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

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

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

11 (A) the actuarial present value of projected
12 benefits expected to be paid to current and future
13 retirees and their dependents and survivors;

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

16 (C) the reserve required by subsection
17 (b) (3) (ii); and

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

26 If the actuarial present value of projected

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

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

26 (A) In the event of a projected shortfall, if

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

22 (B) In the event of a projected surplus, if the
23 Auditor General determines that the assumptions
24 stated in the report are not unreasonable in the
25 aggregate and that the plan of decreases in
26 employee, retiree, dependent, or survivor

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

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

1 determination is made by the Auditor General.

2 (4) For any retiree who first retires effective January
3 1, 2008 or thereafter, to be eligible for retiree health
4 care benefits upon retirement, the retiree must be at least
5 55 years of age, retire with 10 or more years of continuous
6 service and satisfy the preconditions established by this
7 amendatory Act in addition to any rules or regulations
8 promulgated by the Board of Trustees. This paragraph (4)
9 shall not apply to a disability allowance.

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

26 (6) Effective January 1, 2008, all employees of the

1 Authority shall contribute to the Retiree Health Care Trust
2 in an amount not less than 3% of compensation.

3 (7) No earlier than July 1, 2008 and no later than
4 January 1, 2009 as the Retiree Health Care Trust becomes
5 solely responsible for providing health care benefits to
6 eligible retirees and their dependents and survivors in
7 accordance with subsection (b) of this Section 22-101B, the
8 Authority shall not have any obligation to provide health
9 care to current or future retirees and their dependents or
10 survivors. Employees, retirees, dependents, and survivors
11 who are required to make contributions to the Retiree
12 Health Care Trust shall make contributions at the level set
13 by the Board of Trustees pursuant to the requirements of
14 this Section 22-101B.

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

18 (70 ILCS 3605/12c new)

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

20 (a) In addition to all other bonds or notes that it is
21 authorized to issue, the Authority is authorized to issue its
22 bonds or notes for the purposes of providing funds for the
23 Authority to make the deposits described in Section 12c(b) (1)
24 and (2), for refunding any bonds authorized to be issued under

1 this Section, as well as for the purposes of paying costs of
2 issuance, obtaining bond insurance or other credit enhancement
3 or liquidity facilities, paying costs of obtaining related
4 swaps as authorized in the Bond Authorization Act ("Swaps"),
5 providing a debt service reserve fund, paying Debt Service (as
6 defined in paragraph (i) of this Section 12c), and paying all
7 other costs related to any such bonds or notes.

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

24 (2) After its receipt of a certified copy of a report of
25 the Auditor General of the State of Illinois meeting the
26 requirements of Section 3-2.3 of the Illinois State Auditing

1 Act, the Authority may issue \$553,000,000 aggregate original
2 principal amount of bonds and notes. After payment of the costs
3 of issuance and necessary deposits to funds and accounts
4 established with respect to debt service, the net proceeds of
5 such bonds or notes shall be deposited only in the Retiree
6 Health Care Trust and used only for the purposes required by
7 Section 22-101B of the Illinois Pension Code. Provided that no
8 less than \$450,000,000 has been deposited in the Retiree Health
9 Care Trust, remaining proceeds of bonds issued under this
10 subparagraph (b) (2) may be used to pay costs of issuance and
11 make necessary deposits to funds and accounts with respect to
12 debt service for bonds and notes issued under this subparagraph
13 or subparagraph (b) (1).

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

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

24 (5) With respect to bonds and notes issued under
25 subparagraph (b), scheduled aggregate annual payments of
26 interest or deposits into funds and accounts established for

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

1 the bonds or notes of such maturity or maturities shall be
2 determined as if such bonds or notes bore interest at the fixed
3 interest rate payable by the Authority under such Swap.

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

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

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

19 (e) Bonds or notes issued pursuant to this Section 12c may
20 be general obligations of the Authority, to which shall be
21 pledged the full faith and credit of the Authority, or may be
22 obligations payable solely from particular sources of funds all
23 as may be provided in the authorizing ordinance. The
24 authorizing ordinance for the bonds and notes, whether or not
25 general obligations of the Authority, may provide for the Debt
26 Service (as defined in paragraph (i) of this Section 12c) to

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

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

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

22 (g) The ordinance of the Chicago Transit Board authorizing
23 the issuance of bonds or notes pursuant to this Section 12c may
24 provide for the appointment of a corporate trustee (which may
25 be any trust company or bank having the powers of a trust
26 company within Illinois) with respect to bonds or notes issued

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

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

1 met and discharged. The Authority is authorized to include
2 these pledges and agreements of the State of Illinois in any
3 contract with owners of bonds or notes issued pursuant to this
4 Section 12c.

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

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

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

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

19 (70 ILCS 3605/15) (from Ch. 111 2/3, par. 315)

20 Sec. 15. The Authority shall have power to apply for and
21 accept grants and loans from the Federal Government or any
22 agency or instrumentality thereof, from the State, or from any
23 county, municipal corporation or other political subdivision
24 of the State to be used for any of the purposes of the
25 Authority, including, but not by way of limitation, grants and

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

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

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

16 (70 ILCS 3605/28a) (from Ch. 111 2/3, par. 328a)

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

1 hours, working conditions, or pension or retirement provisions
2 the Board may arbitrate any question or questions and may agree
3 with such accredited representatives or labor organization
4 that the decision of a majority of any arbitration board shall
5 be final, provided each party shall agree in advance to pay
6 half of the expense of such arbitration.

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

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

22 (2) The Board shall deal with and enter into written
23 contracts with their employees, through accredited
24 representatives of such employees authorized to act for such
25 employees concerning wages, salaries, hours, working
26 conditions, and pension or retirement provisions about which a

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

26 (3) The collective bargaining agreement may not include a

1 prohibition on the use of part-time operators on any service
2 operated by or funded by the Board, except where prohibited by
3 federal law.

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

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

20 (70 ILCS 3605/34) (from Ch. 111 2/3, par. 334)

21 Sec. 34. Budget and Program. The Authority, subject to the
22 powers of the Regional Transportation Authority in Section 4.11
23 of the Regional Transportation Authority Act, shall control the
24 finances of the Authority. It shall by ordinance appropriate
25 money to perform the Authority's purposes and provide for

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

1 five-year capital program shall be available at no cost for
2 public inspection at the Authority's main office and at the
3 Regional Transportation Authority's main office at least 3
4 weeks prior to any public hearing. Before the proposed budget,
5 ~~and program and financial plan,~~ and five-year capital program
6 are submitted to the Regional Transportation Authority, the
7 Authority shall hold at least one public hearing thereon in
8 each of the counties in which the Authority provides service.
9 All Board members of the Authority shall attend a majority of
10 the public hearings unless reasonable cause is given for their
11 absence. After the public hearings, the Board of the Authority
12 shall hold at least one meeting for consideration of the
13 proposed program and budget with the Cook County Board. After
14 conducting such hearings and holding such meetings and after
15 making such changes in the proposed ~~program and~~ budget,
16 financial plan, and five-year capital program as the Board
17 deems appropriate, it shall adopt an annual budget ordinance at
18 least by November 15th preceding the beginning of each fiscal
19 year. The budget, ~~and program, and~~ financial plan, and
20 five-year capital program shall then be submitted to the
21 Regional Transportation Authority as provided in Section 4.11
22 of the Regional Transportation Authority Act. In the event that
23 the Board of the Regional Transportation Authority determines
24 that the budget, ~~and program, and~~ financial plan, and five-year
25 capital program do not meet the standards of said Section 4.11,
26 the Board of the Authority shall make such changes as are

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

14 The budget shall:

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

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

24 (iii) provide for a level of fares or charges and
25 operating or administrative costs for the public
26 transportation provided by or subject to the jurisdiction

1 of the Board sufficient to allow the Board to meet its
2 required system generated revenue recovery ratio as
3 determined in accordance with subsection (a) of Section
4 4.11 of the Regional Transportation Authority Act;

5 (iv) be based upon and employ assumptions and
6 projections which are reasonable and prudent;

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

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

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

16 The Board shall establish a fiscal operating year. At least
17 thirty days prior to the beginning of the first full fiscal
18 year after the creation of the Authority, and annually
19 thereafter, the Board shall cause to be prepared a tentative
20 budget which shall include all operation and maintenance
21 expense for the ensuing fiscal year. The tentative budget shall
22 be considered by the Board and, subject to any revision and
23 amendments as may be determined, shall be adopted prior to the
24 first day of the ensuing fiscal year as the budget for that
25 year. No expenditures for operations and maintenance in excess
26 of the budget shall be made during any fiscal year except by

1 the affirmative vote of at least five members of the Board. It
2 shall not be necessary to include in the annual budget any
3 statement of necessary expenditures for pensions or retirement
4 annuities, or for interest or principal payments on bonds or
5 certificates, or for capital outlays, but it shall be the duty
6 of the Board to make provision for payment of same from
7 appropriate funds. The Board may not alter its fiscal year
8 without the prior approval of the Board of the Regional
9 Transportation Authority.

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

11 (70 ILCS 3605/46) (from Ch. 111 2/3, par. 346)

12 Sec. 46. Citizens Advisory Board. The Board shall establish
13 a citizens advisory board composed of 11 residents of those
14 portions of the metropolitan region in which the Authority
15 provides service who have an interest in public transportation,
16 one of whom shall be at least 65 years of age. The members of
17 the advisory board shall be named for 2 year terms, shall
18 select one of their members to serve as chairman and shall
19 serve without compensation. The citizens advisory board shall
20 meet with Board at least quarterly and advise the 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 metropolitan region in which the Authority provides service.

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

2 (70 ILCS 3605/50 new)

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

23 The Authority shall establish and maintain a program
24 designed to promote equal employment opportunity. Each year, no
25 later than October 1, the Authority shall report to the General

1 Assembly on the number of employees of the Authority and the
2 number of employees who have designated themselves as members
3 of a minority group and gender.

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

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

15 (70 ILCS 3610/3.1) (from Ch. 111 2/3, par. 353.1)

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

23 (a) Any 500 or more legal voters who are residents within
24 such "participating area" may file a petition in the circuit

1 court of the county where the proposed district or a major part
2 thereof is located, asking that the question of creating such
3 district be submitted under this Act by referendum to the
4 voters residing within the proposed district. By their power of
5 attorney signed by them and filed in the cause the petitioners
6 may authorize a committee of their number named by the
7 petitioners, to conduct and pursue the cause for them to a
8 conclusion. Such petition shall define the boundaries of the
9 proposed district, shall indicate distances to nearest mass
10 transportation lines in each direction, naming them, shall have
11 attached a fair map of the proposed district, and shall suggest
12 a name for the proposed district.

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

23 (c) After proof of such newspaper publication of notice has
24 been made and filed in the cause and shown to the court in full
25 accord with the prior order, the circuit judge shall hear all
26 persons who attend and so request, as to location and boundary

1 and name for the proposed district. After the hearing on such
2 petition is completed, the circuit court by an order of record,
3 shall determine and establish the location, name and boundary
4 for such proposed district, and shall order the proposition
5 submitted at an election in accordance with the general
6 election law to the voters resident within such proposed
7 district. The circuit clerk shall certify the proposition to
8 the proper election officials who shall submit the proposition
9 in accordance with the general election law.

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

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

1 of the appointment, and thereafter at all times while serving
2 as trustee, be a resident of the Mass Transit District for
3 which such person is appointed as trustee. If a trustee removes
4 his residence to a place outside of the District, a trustee
5 shall be appointed in the same manner as herein provided to
6 take the place of the trustee who so removed his residence. If
7 however the district is located in more than one county, the
8 number of trustees who are residents of a county shall be in
9 proportion, as nearly as practicable, to the number of
10 residents of the district who reside in that county in relation
11 to the total population of the district.

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

23 Thereafter, each trustee shall be succeeded by a resident
24 of the same county who shall be appointed by the same
25 appointing authority; however, the provisions of the preceding
26 paragraph shall apply to the appointment of the successor to

1 each trustee who is in office at the time of the publication of
2 each decennial Federal census of population.

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

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

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

24 (i) If the District is wholly contained within a single
25 county, the County Board of such county may, by resolution,
26 provide that, effective upon the next appointment of a Trustee,

1 after the effective date of this amendatory Act of 1989, that
2 the Board of Trustees of such Mass Transit District shall be
3 comprised of 7 Trustees, with no more than 4 members of the
4 same political party. This Subsection shall not apply to any
5 Mass Transit District in the State which receives funding in
6 whole or in part from the Regional Transportation Authority or
7 any of its service boards.

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

25 "Shall the boundaries of (local mass transit district)
26 be coterminous and expand with the boundaries of

1 (townships)?"

2 Votes shall be recorded as "Yes" or "No". If a majority of
3 the electors voting on the question vote in the affirmative,
4 then the district shall be entitled to make its boundaries
5 coterminous with the boundaries of the townships regardless of
6 when the district was formed. The district's boundaries shall
7 encompass all areas located within the townships at the time
8 the ordinance becomes effective and all areas that become part
9 of the townships at a future date. Nothing in this subsection
10 shall allow expansion of a district into an area that is
11 already a part of another local mass transit district.

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

13 Section 20. The Regional Transportation Authority Act is
14 amended by changing Sections 1.02, 2.01, 2.04, 2.05, 2.09,
15 2.12, 2.14, 2.18a, 2.30, 3.01, 3.03, 3.04, 3.05, 3A.10, 3A.11,
16 3A.14, 3B.02, 3B.03, 3B.05, 3B.07, 3B.09, 3B.10, 3B.11, 3B.12,
17 3B.13, 4.01, 4.02, 4.02a, 4.02b, 4.03, 4.04, 4.09, 4.11, 4.13,
18 4.14, and 5.01 and by adding Section 2.01a, 2.01b, 2.01c,
19 2.01d, 2.01e, 2.12b, 2.31, and 4.03.3 as follows:

20 (70 ILCS 3615/1.02) (from Ch. 111 2/3, par. 701.02)

21 Sec. 1.02. Findings and Purpose. (a) The General Assembly
22 finds;

23 (i) Public transportation is, as provided in Section 7 of
24 Article XIII of the Illinois Constitution, an essential public

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

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

26 (iii) Because system generated receipts are not presently

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

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

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

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

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

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

25 (iii) To meet the urgent needs of the people of the
26 metropolitan region that such an emergency be averted and to

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

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

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

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

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

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

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

13 (70 ILCS 3615/2.01) (from Ch. 111 2/3, par. 702.01)

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

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

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

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

1 agencies;

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

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

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

10 and

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

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

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

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

1 ~~Five Year Program provided for in this Section and an Annual~~
2 ~~Budget and Program provided for in Section 4.01.~~

3 ~~(c) The Authority shall, in consultation with the Service~~
4 ~~Boards, each year prepare and, by ordinance, adopt, after~~
5 ~~public hearings held in each county in the metropolitan region,~~
6 ~~a Five Year Program to inform the public and government~~
7 ~~officials of the Authority's objectives and program for~~
8 ~~operations and capital development during the forthcoming~~
9 ~~five year period. The Five Year Program shall set forth the~~
10 ~~standards of service which the public may expect; each Service~~
11 ~~Board's plans for coordinating routes and service of the~~
12 ~~various transportation agencies; the anticipated expense of~~
13 ~~providing public transportation at standards of service then~~
14 ~~existing and under alternative operating programs; the nature,~~
15 ~~location and expense of anticipated capital improvements~~
16 ~~exceeding \$250,000, by specific item and by fiscal year; and~~
17 ~~such demographic and other data developed by planning and other~~
18 ~~related agencies, as the Authority shall consider pertinent to~~
19 ~~the Service Boards' decisions as to levels and nature of~~
20 ~~service, including without limitation the patterns of~~
21 ~~population density and growth, projected commercial and~~
22 ~~residential development, environmental factors and the~~
23 ~~availability of alternative modes of transportation. The~~
24 ~~Five Year Program shall be adopted on the affirmative votes of~~
25 ~~9 of the then Directors.~~

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

1 (70 ILCS 3615/2.01a new)

2 Sec. 2.01a. Strategic Plan.

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

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

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

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

23 (iii) coordination of fare and transfer policies to
24 promote transfers by riders among Service Boards,
25 transportation agencies, and public transportation modes,

1 which may include goals and objectives for development of a
2 universal fare instrument that riders may use
3 interchangeably on all public transportation funded by the
4 Authority, and methods to be used to allocate revenues from
5 transfers;

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

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

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

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

25 (viii) such other goals and objectives that advance the
26 policy of the State to provide adequate, efficient, and

1 coordinated public transportation in the metropolitan
2 region.

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

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

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

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

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

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

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

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

1 line, route, or sub-region, as determined by the Authority, on
2 the following:

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

4 (ii) ridership data;

5 (iii) equipment failure rates;

6 (iv) employee and customer safety; and

7 (v) customer satisfaction.

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

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

24 (f) The Strategic Plan shall describe the expected
25 financial condition of public transportation in the
26 metropolitan region prospectively over a 10-year period, which

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

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

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

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

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

1 however, any expenditure related to any such public
2 transportation service or facility must be included in a
3 Five-Year Capital Program under the requirements of Sections
4 2.01b and 4.02 of this Act.

5 (70 ILCS 3615/2.01b new)

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

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

11 (70 ILCS 3615/2.01c new)

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

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

1 of the 95th General Assembly may receive any funding from the
2 Innovation, Coordination, and Enhancement Fund. Unless the
3 Board has determined by a vote of 12 of its then Directors that
4 an emergency exists requiring the use of some or all of the
5 funds then in the Innovation, Coordination, and Enhancement
6 Fund, such funds may only be used to enhance the coordination
7 and integration of public transportation and develop and
8 implement innovations to improve the quality and delivery of
9 public transportation.

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

1 (70 ILCS 3615/2.01d new)

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

1 this determination.

2 (70 ILCS 3615/2.01e new)

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

20 (70 ILCS 3615/2.04) (from Ch. 111 2/3, par. 702.04)

21 Sec. 2.04. Fares and Nature of Service.

22 (a) Whenever a Service Board provides any public
23 transportation by operating public transportation facilities,
24 the Service Board shall provide for the level and nature of

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

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

26 (c) In so providing for the fares or charges and the nature

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

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

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

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

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

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

26 In connection with any construction or acquisition, the

1 Authority shall make relocation payments as may be required by
2 federal law or by the requirements of any federal agency
3 authorized to administer any federal program of aid.

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

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

15 (70 ILCS 3615/2.09) (from Ch. 111 2/3, par. 702.09)

16 Sec. 2.09. Research and Development.

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

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

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

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

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

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

14 (70 ILCS 3615/2.12) (from Ch. 111 2/3, par. 702.12)

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

1 this Act, submit its proposals to such agencies for review and
2 comment. The Authority and the Service Boards may make use of
3 existing studies, surveys, plans, data and other materials in
4 the possession of any State agency or department, any planning
5 agency or any unit of local government.

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

7 (70 ILCS 3615/2.12b new)

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

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

11 (70 ILCS 3615/2.14) (from Ch. 111 2/3, par. 702.14)

12 Sec. 2.14. Appointment of Officers and Employees. The
13 Authority may appoint, retain and employ officers, attorneys,
14 agents, engineers and employees. The officers shall include an
15 Executive Director, who shall be the chief executive officer of
16 the Authority, appointed by the Chairman with the concurrence
17 of 11 ~~9~~ of the other then Directors of the Board. The Executive
18 Director shall organize the staff of the Authority, shall
19 allocate their functions and duties, shall transfer such staff
20 to the Suburban Bus Division and the Commuter Rail Division as
21 is sufficient to meet their purposes, shall fix compensation
22 and conditions of employment of the staff of the Authority, and
23 consistent with the policies of and direction from the Board,
24 take all actions necessary to achieve its purposes, fulfill its
25 responsibilities and carry out its powers, and shall have such

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

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

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

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

1 (70 ILCS 3615/2.18a) (from Ch. 111 2/3, par. 702.18a)

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

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

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

16 (70 ILCS 3615/2.30)

17 Sec. 2.30. Paratransit services.

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

1 Disabilities Act of 1990 and its implementing regulations.

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

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

1 Americans with Disabilities Act of 1990 and its implementing
2 regulations. The plan shall also include, without limitation,
3 provisions to:

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

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

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

24 (4) provide that service contracts and rates, entered
25 into or set after the approval by the Federal Transit
26 Administration of the plan prepared pursuant to subsection

1 (c) of this Section, with private carriers and taxicabs for
2 ADA paratransit service are procured by means of an open
3 procurement process;

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

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

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

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

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

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

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

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

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

25 (f) By no later than April 1, 2007, the Authority shall
26 develop and submit to the General Assembly and the Governor a

1 funding plan for ADA paratransit services. Approval of such
2 plan by the Authority shall require the affirmative votes of 12
3 ~~9~~ of the then Directors. The funding plan shall, at a minimum,
4 contain an analysis of the current costs of providing ADA
5 paratransit services, projections of the long-term costs of
6 providing ADA paratransit services, identification of and
7 recommendations for possible cost efficiencies in providing
8 ADA paratransit services, and identification of and
9 recommendations for possible funding sources for providing ADA
10 paratransit services. The Illinois Department of
11 Transportation, the Illinois Department of Public Aid, the
12 Suburban Bus Board, the Chicago Transit Authority and other
13 State and local public agencies as appropriate shall cooperate
14 with the Authority in the preparation of such funding plan.

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

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

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

24 (70 ILCS 3615/2.31 new)

25 Sec. 2.31. Disadvantaged Business Enterprise Contracting

1 and Equal Employment Opportunity Programs. The Authority and
2 each Service Board shall, as soon as is practicable but in no
3 event later than two years after the effective date of this
4 amendatory Act of the 95th General Assembly, establish and
5 maintain a disadvantaged business enterprise contracting
6 program designed to ensure non-discrimination in the award and
7 administration of contracts not covered under a federally
8 mandated disadvantaged business enterprise program. The
9 program shall establish narrowly tailored goals for the
10 participation of disadvantaged business enterprises as the
11 Authority and each Service Board determines appropriate. The
12 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 and each Service Board
17 to monitor the progress of the contractors' obligations with
18 respect to the program's goals. Nothing in this program shall
19 conflict with or interfere with the maintenance or operation
20 of, or compliance with, any federally mandated disadvantaged
21 business enterprise program.

22 The Authority and each Service Board shall establish and
23 maintain a program designed to promote equal employment
24 opportunity. Each year, no later than October 1, the Authority
25 and each Service Board shall report to the General Assembly on
26 the number of their respective employees and the number of

1 their respective employees who have designated themselves as
2 members of a minority group and gender.

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

13 (70 ILCS 3615/3.01) (from Ch. 111 2/3, par. 703.01)

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

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

1 City of Chicago, shall appoint a fifth Director. The Directors
2 appointed by the Mayor of the City of Chicago shall not be the
3 chairman or a director of the Chicago Transit Authority. Each
4 such Director shall reside in the City of Chicago ~~except the~~
5 ~~Chairman of the Chicago Transit Authority who shall reside~~
6 ~~within the metropolitan area as defined in the Metropolitan~~
7 ~~Transit Authority Act.~~

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

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

23 (i) Two Directors appointed by the Chairmen of the
24 county boards of Kane, Lake, McHenry and Will Counties,
25 with the concurrence of not less than a majority of the
26 Chairmen from such counties, from nominees by the Chairmen.

1 Each such Chairman may nominate not more than 2 persons for
2 each position. Each such Director shall reside in a county
3 in the metropolitan region other than Cook or DuPage
4 Counties.

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

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

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

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

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

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

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

1 McHenry County Board. Such Director shall reside in McHenry
2 County.

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

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

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

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

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

25 (h) (Blank). ~~The Board of Directors shall be so appointed~~
26 ~~as to represent the City of Chicago, that part of Cook County~~

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

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

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

17 (70 ILCS 3615/3.03) (from Ch. 111 2/3, par. 703.03)

18 Sec. 3.03. Terms, vacancies. Each Director, ~~including the~~
19 ~~Chairman, shall be appointed for an initial term as provided~~
20 ~~for in Section 3.10 of this Act. Thereafter, each Director~~
21 shall hold office for a term of 5 years, and until his
22 successor has been appointed and has qualified. A vacancy shall
23 occur upon resignation, death, conviction of a felony, or
24 removal from office of a Director. Any Director may be removed
25 from office upon concurrence of not less than 11 9 Directors,

1 on a formal finding of incompetence, neglect of duty, or
2 malfeasance in office. Within 30 days after the office of any
3 member becomes vacant for any reason, the appointing
4 authorities of such member shall make an appointment to fill
5 the vacancy. A vacancy shall be filled for the unexpired term.

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

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

16 (70 ILCS 3615/3.04) (from Ch. 111 2/3, par. 703.04)

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

23 Officers of the Authority shall not be required to comply
24 with the requirements of "An Act requiring certain custodians
25 of public moneys to file and publish statements of the receipts

1 and disbursements thereof", approved June 24, 1919, as now or
2 hereafter amended.

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

4 (70 ILCS 3615/3.05) (from Ch. 111 2/3, par. 703.05)

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

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

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

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

24 (70 ILCS 3615/3A.10) (from Ch. 111 2/3, par. 703A.10)

1 Sec. 3A.10. Budget and Program. The Suburban Bus Board,
2 subject to the powers of the Authority in Section 4.11, shall
3 control the finances of the Division. It shall by ordinance
4 appropriate money to perform the Division's purposes and
5 provide for payment of debts and expenses of the Division. Each
6 year the Suburban Bus Board shall prepare and publish a
7 comprehensive annual budget and proposed five-year capital
8 program document, and a financial plan for the 2 years
9 thereafter describing the state of the Division and presenting
10 for the forthcoming fiscal year and the 2 following years the
11 Suburban Bus Board's plans for such operations and capital
12 expenditures as it intends to undertake and the means by which
13 it intends to finance them. The proposed budget, ~~and~~ financial
14 plan, and five-year capital program shall be based on the
15 Authority's estimate of funds to be made available to the
16 Suburban Bus Board by or through the Authority and shall
17 conform in all respects to the requirements established by the
18 Authority. The proposed ~~program and~~ budget, financial plan, and
19 five-year capital program shall contain a statement of the
20 funds estimated to be on hand at the beginning of the fiscal
21 year, the funds estimated to be received from all sources for
22 such year and the funds estimated to be on hand at the end of
23 such year. ~~After adoption of the Authority's first Five-Year~~
24 ~~Program, as provided in Section 2.01 of this Act, the proposed~~
25 ~~program and budget shall specifically identify any respect in~~
26 ~~which the recommended program deviates from the Authority's~~

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

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

10 The budget shall:

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

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

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

1 recovery ratio;

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 Authority; ~~and~~

7 (vi) meet such other uniform financial, budgetary, or
8 fiscal requirements that the Board of the Authority may by
9 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 (Source: P.A. 94-370, eff. 7-29-05.)

14 (70 ILCS 3615/3A.11) (from Ch. 111 2/3, par. 703A.11)

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

1 the greatest extent possible, reflect the ethnic, cultural, and
2 geographic diversity of all persons residing within the
3 Suburban Bus Board's jurisdiction.

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

5 (70 ILCS 3615/3A.14) (from Ch. 111 2/3, par. 703A.14)

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

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

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

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

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

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

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

6 (70 ILCS 3615/3B.02) (from Ch. 111 2/3, par. 703B.02)

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

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

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

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

24 (3) ~~(c)~~ Three directors appointed by the members of the
25 Cook County Board elected from that part of Cook County

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

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

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

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

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

1 subparagraph.

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

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

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

22 (5) One Director shall be appointed by the Chairman of
23 the Kane County Board with the advice and consent of the
24 Kane County Board and shall reside in Kane County.

25 (6) One Director shall be appointed by the Mayor of the
26 City of Chicago with the advice and consent of the City

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

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

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

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

23 (iii) One Director who resides in the township of
24 Northfield, New Trier, Maine, Niles, Evanston, Leyden,
25 Norwood Park, River Forest, or Oak Park.

26 (iv) One Director who resides in the township of

1 Proviso, Riverside, Berwyn, Cicero, Lyons, Stickney,
2 Lemont, Palos, or Orland. To implement the changes in
3 appointing authority under this Section, upon the
4 expiration of the term of or vacancy in office of the
5 Director appointed under paragraph (3) of subsection
6 (a) of this Section who resides in the geographic area
7 described in this subparagraph and whose term of office
8 had not expired as of August 1, 2007, a Director shall
9 be appointed under this subparagraph.

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

20 (vi) The Directors identified under the provisions
21 of subparagraphs (ii) through (v) of this paragraph (7)
22 shall be appointed by the members of the Cook County
23 Board elected from districts the majority of the
24 electors of which are located in Cook County outside of
25 the City of Chicago.

26 (8) The chairman shall be appointed by the directors,

1 from the members of the board, with the concurrence of 8 of
2 such directors. To implement the changes in appointing
3 authority under this Section, upon the expiration of the
4 term of or vacancy in office of the Chairman appointed
5 under item (5) of subsection (a) of this Section, a
6 Chairman shall be appointed under this subparagraph.

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

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

22 ~~Appointments to the Commuter Rail Board shall be~~
23 ~~apportioned so as to represent the City of Chicago, that part~~
24 ~~of Cook County outside of the City of Chicago, and DuPage~~
25 ~~County and that part of the metropolitan region other than Cook~~
26 ~~and DuPage Counties based on morning boardings of the services~~

1 ~~provided by the Commuter Rail Division as certified to the~~
2 ~~Board of the Authority by the Commuter Rail Board, provided~~
3 ~~however that the Mayor of the City of Chicago shall appoint no~~
4 ~~fewer than 1 member of the Commuter Rail Board. Within two~~
5 ~~years after each federal decennial census, the Board of the~~
6 ~~Authority shall review the composition of the Commuter Rail~~
7 ~~Board and, if change is needed to comply with this requirement,~~
8 ~~shall provide for the necessary reapportionment by July 1 of~~
9 ~~the second year after such census. Insofar as may be~~
10 ~~practicable, the changes in board membership necessary to~~
11 ~~achieve this purpose shall take effect as appropriate members~~
12 ~~terms expire, no member's term being reduced by reason of such~~
13 ~~revision of the composition of the Commuter Rail Board.~~

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

15 (70 ILCS 3615/3B.03) (from Ch. 111 2/3, par. 703B.03)

16 Sec. 3B.03. Terms, Vacancies. Each ~~The initial term of the~~
17 ~~director appointed pursuant to subdivision (a) of Section 3B.02~~
18 ~~and the initial term of one of the directors appointed pursuant~~
19 ~~to subdivision (b) of Section 3B.02 shall expire on June 30,~~
20 ~~1985; the initial term of one of the directors appointed~~
21 ~~pursuant to subdivision (b) of Section 3B.02 and the initial~~
22 ~~term of one of the directors appointed pursuant to subdivision~~
23 ~~(c) of Section 3B.02 shall expire on June 30, 1986; the initial~~
24 ~~terms of two of the directors appointed pursuant to subdivision~~
25 ~~(c) of Section 3B.02 shall expire on June 30, 1987; the initial~~

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

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

15 (70 ILCS 3615/3B.05) (from Ch. 111 2/3, par. 703B.05)

16 Sec. 3B.05. Appointment of officers and employees. The
17 Commuter Rail Board shall appoint an Executive Director who
18 shall be the chief executive officer of the Division,
19 appointed, retained or dismissed with the concurrence of 8 ~~6~~ of
20 the directors of the Commuter Rail Board. The Executive
21 Director shall appoint, retain and employ officers, attorneys,
22 agents, engineers, employees and shall organize the staff,
23 shall allocate their functions and duties, fix compensation and
24 conditions of employment, and consistent with the policies of
25 and direction from the Commuter Rail Board take all actions

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

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

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

1 advertising, selection for training and rates of pay or other
2 forms of compensation.

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

4 (70 ILCS 3615/3B.07) (from Ch. 111 2/3, par. 703B.07)

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

14 A majority of the members shall constitute a quorum for the
15 conduct of business. The affirmative votes of at least 6 ~~4~~
16 members shall be necessary for any action required by this Act
17 to be taken by ordinance.

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

19 (70 ILCS 3615/3B.09) (from Ch. 111 2/3, par. 703B.09)

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

1 (a) to cooperate with the Regional Transportation
2 Authority in the exercise by the Regional Transportation
3 Authority of all the powers granted it by such Act;

4 (b) to receive funds from the Regional Transportation
5 Authority pursuant to Sections 2.02, 4.01, 4.02, 4.09 and 4.10
6 of the "Regional Transportation Authority Act", all as provided
7 in the "Regional Transportation Authority Act"; ~~and~~

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

17 (d) to borrow money for the purpose of acquiring,
18 constructing, reconstructing, extending, or improving any
19 Public Transportation Facilities (as defined in Section 1.03 of
20 the Regional Transportation Authority Act) operated by or to be
21 operated by or on behalf of the Commuter Rail Division. For the
22 purpose of evidencing the obligation of the Commuter Rail Board
23 to repay any money borrowed as provided in this subsection, the
24 Commuter Rail Board may issue revenue bonds from time to time
25 pursuant to ordinance adopted by the Commuter Rail Board,
26 subject to the approval of the Regional Transportation

1 Authority of each such issuance by the affirmative vote of 12
2 of its then Directors; provided that the Commuter Rail Board
3 may not issue bonds for the purpose of financing the
4 acquisition, construction, or improvement of a corporate
5 headquarters building. All such bonds shall be payable solely
6 from the revenues or income or any other funds that the
7 Commuter Rail Board may receive, provided that the Commuter
8 Rail Board may not pledge as security for such bonds the
9 moneys, if any, that the Commuter Rail Board receives from the
10 Regional Transportation Authority pursuant to Section
11 4.03.3(d) of the Regional Transportation Authority Act. The
12 bonds shall bear interest at a rate not to exceed the maximum
13 rate authorized by the Bond Authorization Act and shall mature
14 at such time or times not exceeding 25 years from their
15 respective dates. Bonds issued pursuant to this paragraph must
16 be issued with scheduled principal or mandatory redemption
17 payments in equal amounts in each fiscal year over the term of
18 the bonds, with the first principal or mandatory redemption
19 payment scheduled within the fiscal year in which bonds are
20 issued or within the next succeeding fiscal year. At least 25%,
21 based on total principal amount, of all bonds authorized
22 pursuant to this Section shall be sold pursuant to notice of
23 sale and public bid. No more than 75%, based on total principal
24 amount, of all bonds authorized pursuant to this Section shall
25 be sold by negotiated sale. The maximum principal amount of the
26 bonds that may be issued and outstanding at any time may not

1 exceed \$1,000,000,000. The bonds shall have all the qualities
2 of negotiable instruments under the laws of this State. To
3 secure the payment of any or all of such bonds and for the
4 purpose of setting forth the covenants and undertakings of the
5 Commuter Rail Board in connection with the issuance thereof and
6 the issuance of any additional bonds payable from such revenue
7 or income as well as the use and application of the revenue or
8 income received by the Commuter Rail Board, the Commuter Rail
9 Board may execute and deliver a trust agreement or agreements;
10 provided that no lien upon any physical property of the
11 Commuter Rail Board shall be created thereby. A remedy for any
12 breach or default of the terms of any such trust agreement by
13 the Commuter Rail Board may be by mandamus proceedings in any
14 court of competent jurisdiction to compel performance and
15 compliance therewith, but the trust agreement may prescribe by
16 whom or on whose behalf such action may be instituted. Under no
17 circumstances shall any bonds issued by the Commuter Rail Board
18 or any other obligation of the Commuter Rail Board in
19 connection with the issuance of such bonds be or become an
20 indebtedness or obligation of the State of Illinois, the
21 Regional Transportation Authority, or any other political
22 subdivision of or municipality within the State, nor shall any
23 such bonds or obligations be or become an indebtedness of the
24 Commuter Rail Board within the purview of any constitutional
25 limitation or provision, and it shall be plainly stated on the
26 face of each bond that it does not constitute such an

1 indebtedness or obligation but is payable solely from the
2 revenues or income as aforesaid.

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

4 (70 ILCS 3615/3B.10) (from Ch. 111 2/3, par. 703B.10)

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

1 sources for such year and the funds estimated to be on hand at
2 the end of such year. ~~After adoption of the Authority's first~~
3 ~~Five Year Program, as provided in Section 2.01 of this Act, the~~
4 ~~proposed program and budget shall specifically identify any~~
5 ~~respect in which the recommended program deviates from the~~
6 ~~Authority's then existing Five Year Program, giving the~~
7 ~~reasons for such deviation.~~ The fiscal year of the Division
8 shall be the same as the fiscal year of the Authority. Before
9 the proposed budget, ~~and program and~~ financial plan, and
10 five-year capital program are submitted to the Authority, the
11 Commuter Rail Board shall hold at least one public hearing
12 thereon in each of the counties in the metropolitan region in
13 which the Division provides service. The Commuter Rail Board
14 shall hold at least one meeting for consideration of the
15 proposed ~~program and~~ budget, financial plan, and five-year
16 capital plan with the county board of each of the several
17 counties in the metropolitan region in which the Division
18 provides service. After conducting such hearings and holding
19 such meetings and after making such changes in the proposed
20 ~~program and~~ budget, financial plan, and five-year capital plan
21 as the Commuter Rail Board deems appropriate, the board shall
22 adopt its annual budget ordinance at least by November 15 next
23 preceding the beginning of each fiscal year. The budget, ~~and~~
24 ~~program, and~~ financial plan, and five-year capital program
25 shall then be submitted to the Authority as provided in Section
26 4.11. In the event that the Board of the Authority determines

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

16 The budget shall:

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

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

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

1 public transportation provided by or subject to the
2 jurisdiction of such Commuter Rail Board sufficient to allow
3 the Commuter Rail Board to meet its required system generated
4 revenue recovery ratio;

5 (iv) be based upon and employ assumptions and projections
6 which the Board of the Authority finds to be reasonable and
7 prudent;

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

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

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

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

16 (70 ILCS 3615/3B.11) (from Ch. 111 2/3, par. 703B.11)

17 Sec. 3B.11. Citizens Advisory Board. The Commuter Rail
18 Board shall establish a citizens advisory board composed of ten
19 residents of those portions of the metropolitan region in which
20 the Commuter Rail Board provides service who have an interest
21 in public transportation. The members of the advisory board
22 shall be named for two year terms, shall select one of their
23 members to serve as chairman and shall serve without
24 compensation. The citizens advisory board shall meet with the
25 Commuter Rail Board at least quarterly and advise the Commuter

1 Rail Board of the impact of its policies and programs on the
2 communities it serves. Appointments to the citizens advisory
3 board should, to the greatest extent possible, reflect the
4 ethnic, cultural, and geographic diversity of all persons
5 residing within the Commuter Rail Division's jurisdiction.

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

7 (70 ILCS 3615/3B.12) (from Ch. 111 2/3, par. 703B.12)

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

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

20 (70 ILCS 3615/3B.13) (from Ch. 111 2/3, par. 703B.13)

21 Sec. 3B.13. Labor.

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

1 This Section does not apply to collective bargaining agreements
2 that are subject to the provisions of the Railway Labor Act, as
3 now or hereafter amended.

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

1 Board and exclusive representatives which have established
2 collective bargaining relationships or negotiated collective
3 bargaining agreements prior to the effective date of this
4 amendatory Act of 1983, the Commuter Rail Board shall be
5 required to bargain collectively with regard to any matter
6 concerning wages, hours or conditions of employment about which
7 they have bargained prior to the effective date of this
8 amendatory Act of 1983.

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

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

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

1 (70 ILCS 3615/4.01) (from Ch. 111 2/3, par. 704.01)

2 Sec. 4.01. Budget and Program.

3 (a) The Board shall control the finances of the Authority.

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

1 hand at the end of such year. ~~After adoption of the Authority's~~
2 ~~first Five Year Program, as provided in Section 2.01 of this~~
3 ~~Act, the proposed program and budget shall specifically~~
4 ~~identify any respect in which the recommended program deviates~~
5 ~~from the Authority's then existing Five Year Program, giving~~
6 ~~the reasons for such deviation.~~ The fiscal year of the
7 Authority and each Service Board shall begin on January 1st and
8 end on the succeeding December 31st ~~except that the fiscal year~~
9 ~~that began October 1, 1982, shall end December 31, 1983.~~ By
10 ~~July 1st 1981 and~~ July 1st of each year ~~thereafter~~ the Director
11 of the Illinois Governor's Office of Management and Budget
12 (formerly Bureau of the Budget) shall submit to the Authority
13 an estimate of revenues for the next fiscal year of the
14 Authority to be collected from the taxes imposed by the
15 Authority and the amounts to be available in the Public
16 Transportation Fund and the Regional Transportation Authority
17 Occupation and Use Tax Replacement Fund and the amounts
18 otherwise to be appropriated by the State to the Authority for
19 its purposes. The Authority shall file a copy of its Annual
20 Budget and Two-Year Financial Plan with ~~For the fiscal year~~
21 ~~ending on December 31, 1983, the Board shall report its results~~
22 ~~from operations and financial condition to the General Assembly~~
23 ~~and the Governor by January 31.~~ For the fiscal year beginning
24 ~~January 1, 1984, and thereafter, the budget and program shall~~
25 ~~be presented to~~ the General Assembly and the Governor after its
26 adoption ~~not later than the preceding December 31st.~~ Before the

1 proposed Annual Budget and Two-Year Financial Plan ~~budget and~~
2 ~~program~~ is adopted, the Authority shall hold at least one
3 public hearing thereon in the metropolitan region, and shall
4 meet . ~~The Board shall hold at least one meeting for~~
5 ~~consideration of the proposed program and budget~~ with the
6 county board or its designee of each of the several counties in
7 the metropolitan region. After conducting such hearings and
8 holding such meetings and after making such changes in the
9 proposed Annual Budget and Two-Year Financial Plan ~~program and~~
10 ~~budget~~ as the Board deems appropriate, the Board shall adopt
11 its annual appropriation and Annual Budget and Two-Year
12 Financial Plan ~~budget~~ ordinance. The ordinance may be adopted
13 only upon the affirmative votes of 12 ~~9~~ of its then Directors.
14 The ordinance shall appropriate such sums of money as are
15 deemed necessary to defray all necessary expenses and
16 obligations of the Authority, specifying purposes and the
17 objects or programs for which appropriations are made and the
18 amount appropriated for each object or program. Additional
19 appropriations, transfers between items and other changes in
20 such ordinance may be made from time to time by the Board upon
21 the affirmative votes of 12 ~~9~~ of its then Directors.

22 (b) The Annual Budget and Two-Year Financial Plan ~~budget~~
23 shall show a balance between anticipated revenues from all
24 sources and anticipated expenses including funding of
25 operating deficits or the discharge of encumbrances incurred in
26 prior periods and payment of principal and interest when due,

1 and shall show cash balances sufficient to pay with reasonable
2 promptness all obligations and expenses as incurred.

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

5 (i) that the level of fares and charges for mass
6 transportation provided by, or under grant or purchase of
7 service contracts of, the Service Boards is sufficient to
8 cause the aggregate of all projected fare revenues from
9 such fares and charges received in each fiscal year to
10 equal at least 50% of the aggregate costs of providing such
11 public transportation in such fiscal year. "Fare revenues"
12 include the proceeds of all fares and charges for services
13 provided, contributions received in connection with public
14 transportation from units of local government other than
15 the Authority and from the State pursuant to subsection (i)
16 of Section 2705-305 of the Department of Transportation Law
17 (20 ILCS 2705/2705-305), and all other operating revenues
18 properly included consistent with generally accepted
19 accounting principles but do not include: the proceeds of
20 any borrowings, and, beginning with the 2007 fiscal year,
21 all revenues and receipts, including but not limited to
22 fares and grants received from the federal, State or any
23 unit of local government or other entity, derived from
24 providing ADA paratransit service pursuant to Section 2.30
25 of the Regional Transportation Authority Act. "Costs"
26 include all items properly included as operating costs

1 consistent with generally accepted accounting principles,
2 including administrative costs, but do not include:
3 depreciation; payment of principal and interest on bonds,
4 notes or other evidences of obligation for borrowed money
5 issued by the Authority; payments with respect to public
6 transportation facilities made pursuant to subsection (b)
7 of Section 2.20 of this Act; any payments with respect to
8 rate protection contracts, credit enhancements or
9 liquidity agreements made under Section 4.14; any other
10 cost to which it is reasonably expected that a cash
11 expenditure will not be made; costs ~~up to \$5,000,000~~
12 ~~annually~~ for passenger security including grants,
13 contracts, personnel, equipment and administrative
14 expenses, except in the case of the Chicago Transit
15 Authority, in which case the term does not include costs
16 spent annually by that entity for protection against crime
17 as required by Section 27a of the Metropolitan Transit
18 Authority Act; the payment by the Chicago Transit Authority
19 of Debt Service, as defined in Section 12c of the
20 Metropolitan Transit Authority Act, on bonds or notes
21 issued pursuant to that Section; the payment by the
22 Commuter Rail Division of debt service on bonds issued
23 pursuant to Section 3B.09; expenses incurred by the
24 Suburban Bus Division for the cost of new public
25 transportation services funded from grants pursuant to
26 Section 2.01e of this amendatory Act of the 95th General

1 Assembly for a period of 2 years from the date of
2 initiation of each such service; costs as exempted by the
3 Board for projects pursuant to Section 2.09 of this Act;
4 or, beginning with the 2007 fiscal year, expenses related
5 to providing ADA paratransit service pursuant to Section
6 2.30 of the Regional Transportation Authority Act; and in
7 fiscal years 2008 through 2012 inclusive, costs in the
8 amount of \$200,000,000 in fiscal year 2008, reducing by
9 \$40,000,000 in each fiscal year thereafter until this
10 exemption is eliminated; and

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

22 (c) The actual administrative expenses of the Authority for
23 the fiscal year commencing January 1, 1985 may not exceed
24 \$5,000,000. The actual administrative expenses of the
25 Authority for the fiscal year commencing January 1, 1986, and
26 for each fiscal year thereafter shall not exceed the maximum

1 administrative expenses for the previous fiscal year plus 5%.
2 "Administrative expenses" are defined for purposes of this
3 Section as all expenses except: (1) capital expenses and
4 purchases of the Authority on behalf of the Service Boards; (2)
5 payments to Service Boards; and (3) payment of principal and
6 interest on bonds, notes or other evidence of obligation for
7 borrowed money issued by the Authority; (4) costs for passenger
8 security including grants, contracts, personnel, equipment and
9 administrative expenses; (5) payments with respect to public
10 transportation facilities made pursuant to subsection (b) of
11 Section 2.20 of this Act; and (6) any payments with respect to
12 rate protection contracts, credit enhancements or liquidity
13 agreements made pursuant to Section 4.14.

14 (d) (Blank). ~~After withholding 15% of the proceeds of any~~
15 ~~tax imposed by the Authority and 15% of money received by the~~
16 ~~Authority from the Regional Transportation Authority~~
17 ~~Occupation and Use Tax Replacement Fund, the Board shall~~
18 ~~allocate the proceeds and money remaining to the Service Boards~~
19 ~~as follows: (1) an amount equal to 85% of the proceeds of those~~
20 ~~taxes collected within the City of Chicago and 85% of the money~~
21 ~~received by the Authority on account of transfers to the~~
22 ~~Regional Transportation Authority Occupation and Use Tax~~
23 ~~Replacement Fund from the County and Mass Transit District Fund~~
24 ~~attributable to retail sales within the City of Chicago shall~~
25 ~~be allocated to the Chicago Transit Authority; (2) an amount~~
26 ~~equal to 85% of the proceeds of those taxes collected within~~

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

12 (e) (Blank). ~~Moneys received by the Authority on account of~~
13 ~~transfers to the Regional Transportation Authority Occupation~~
14 ~~and Use Tax Replacement Fund from the State and Local Sales Tax~~
15 ~~Reform Fund shall be allocated among the Authority and the~~
16 ~~Service Boards as follows: 15% of such moneys shall be retained~~
17 ~~by the Authority and the remaining 85% shall be transferred to~~
18 ~~the Service Boards as soon as may be practicable after the~~
19 ~~Authority receives payment. Moneys which are distributable to~~
20 ~~the Service Boards pursuant to the preceding sentence shall be~~
21 ~~allocated among the Service Boards on the basis of each Service~~
22 ~~Board's distribution ratio. The term "distribution ratio"~~
23 ~~means, for purposes of this subsection (c) of this Section~~
24 ~~4.01, the ratio of the total amount distributed to a Service~~
25 ~~Board pursuant to subsection (d) of Section 4.01 for the~~
26 ~~immediately preceding calendar year to the total amount~~

1 ~~distributed to all of the Service Boards pursuant to subsection~~
2 ~~(d) of Section 4.01 for the immediately preceding calendar~~
3 ~~year.~~

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

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

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

1 agency shall comply with any request by the Executive Director,
2 or his or her designee, within 30 days or an extended time
3 provided by the Executive Director ~~pertaining to public~~
4 ~~transportation or relevant for plans therefor.~~

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

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

9 (70 ILCS 3615/4.02) (from Ch. 111 2/3, par. 704.02)

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

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

1 purposes and powers as provided in this Act.

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

24 (c) The Authority shall provide to the Service Board any
25 monies received relating to public transportation services
26 under the jurisdiction of the Service Boards as provided in

1 Section 4.03.3 of this Act. follows:

2 ~~(1) As soon as may be practicable after the Authority~~
3 ~~receives payment, under Section 4.03(m) or Section~~
4 ~~4.03.1(d), of the proceeds of those taxes levied by the~~
5 ~~Authority, the Authority shall transfer to each Service~~
6 ~~Board the amount to which it is entitled under Section~~
7 ~~4.01(d);~~

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

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

1 ~~Authority has adopted a balanced budget as required by~~
2 ~~Section 4.01 and further provided the Service Board is in~~
3 ~~compliance with the requirements in Section 4.11.~~

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

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

10 (70 ILCS 3615/4.02a)

11 Sec. 4.02a. Chicago Transit Authority contributions to
12 pension funds.

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

17 (b) Beginning January 1, 2009, if at any time the Authority
18 determines that the Chicago Transit Authority's payment of any
19 portion of the required contributions to its retirement system
20 under Section 22-101 of the Illinois Pension Code is more than
21 one month overdue, it shall as soon as possible pay the amount
22 of those overdue contributions to the Board of Trustees ~~trustee~~
23 of the Retirement Plan ~~retirement system~~ on behalf of the
24 Chicago Transit Authority out of moneys otherwise payable to
25 the Chicago Transit Authority under ~~subsection (c) of~~ Section

1 4.03.3 ~~4.02~~ of this Act. The Authority shall thereafter have no
2 liability to the Chicago Transit Authority for amounts paid to
3 the Board of Trustees ~~trustee~~ of the Retirement Plan ~~retirement~~
4 ~~system~~ under this Section.

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

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

11 (70 ILCS 3615/4.02b)

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

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

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

1 the Service Board for amounts paid to the trustee of the
2 affected pension plan under this Section.

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

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

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

19 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

20 Sec. 4.03. Taxes.

21 (a) In order to carry out any of the powers or purposes of
22 the Authority, the Board may by ordinance adopted with the
23 concurrence of 12 ~~9~~ of the then Directors, impose throughout
24 the metropolitan region any or all of the taxes provided in
25 this Section. Except as otherwise provided in this Act, taxes

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

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

1 tax shall be imposed only with regard to receipts from sales of
2 motor fuel in the metropolitan region, at rates as limited by
3 this Section.

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

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

1 are permitted to park in return for an hourly, daily, or other
2 periodic fee, whether publicly or privately owned, but does not
3 include parking spaces on a public street, the use of which is
4 regulated by parking meters.

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

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

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

22 Whenever the Department determines that a refund should be
23 made under this Section to a claimant instead of issuing a
24 credit memorandum, the Department shall notify the State
25 Comptroller, who shall cause the warrant to be drawn for the
26 amount specified, and to the person named, in the notification

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the Regional Transportation Authority tax fund
3 established under paragraph (n) of this Section.

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

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

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

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

24 (f) If a tax has been imposed under paragraph (e), a
25 Regional Transportation Authority Service Occupation Tax shall
26 also be imposed upon all persons engaged, in the metropolitan

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

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

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

25 Persons subject to any tax imposed under the authority
26 granted in this paragraph may reimburse themselves for their

1 serviceman's tax liability hereunder by separately stating the
2 tax as an additional charge, that charge may be stated in
3 combination in a single amount with State tax that servicemen
4 are authorized to collect under the Service Use Tax Act, under
5 any bracket schedules the Department may prescribe.

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

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

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

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

17 The Department shall have full power to administer and
18 enforce this paragraph; to collect all taxes, penalties and
19 interest due hereunder; to dispose of taxes, penalties and
20 interest collected in the manner hereinafter provided; and to
21 determine all rights to credit memoranda or refunds arising on
22 account of the erroneous payment of tax, penalty or interest
23 hereunder. In the administration of and compliance with this
24 paragraph, the Department and persons who are subject to this
25 paragraph shall have the same rights, remedies, privileges,
26 immunities, powers and duties, and be subject to the same

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

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

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

1 the tax and receipt of a certified copy of the ordinance by the
2 Department of Revenue. The Department of Revenue shall collect
3 the tax for the Authority in accordance with Sections 3-2002
4 and 3-2003 of the Illinois Vehicle Code.

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

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

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

1 required under the tax. A certificate issued under the Use Tax
2 Act or the Service Use Tax Act shall be applicable with regard
3 to any tax imposed under paragraph (c) of this Section.

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

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

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

19 (n) The State Department of Revenue shall, upon collecting
20 any taxes as provided in this Section, pay the taxes over to
21 the State Treasurer as trustee for the Authority. The taxes
22 shall be held in a trust fund outside the State Treasury. On or
23 before the 25th day of each calendar month, the State
24 Department of Revenue shall prepare and certify to the
25 Comptroller of the State of Illinois and ~~the amount to be paid~~
26 ~~to the Authority, which shall be the then balance in the fund,~~

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

21 In addition to the disbursement required by the preceding
22 paragraph, an allocation shall be made in July 1991 and each
23 year thereafter to the Regional Transportation Authority. The
24 allocation shall be made in an amount equal to the average
25 monthly distribution during the preceding calendar year
26 (excluding the 2 months of lowest receipts) and the allocation

1 shall include the amount of average monthly distribution from
2 the Regional Transportation Authority Occupation and Use Tax
3 Replacement Fund. The distribution made in July 1992 and each
4 year thereafter under this paragraph and the preceding
5 paragraph shall be reduced by the amount allocated and
6 disbursed under this paragraph in the preceding calendar year.
7 The Department of Revenue shall prepare and certify to the
8 Comptroller for disbursement the allocations made in
9 accordance with this paragraph.

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

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

21 Any taxes imposed under the authority provided in
22 paragraphs (b), (c) and (d) shall remain in effect only until
23 the time as any tax authorized by paragraphs (e), (f) or (g) of
24 this Section are imposed and becomes effective. Once any tax
25 authorized by paragraphs (e), (f) or (g) is imposed the Board
26 may not reimpose taxes as authorized in paragraphs (b), (c) and

1 (d) of the Section unless any tax authorized by paragraphs (e),
2 (f) or (g) of this Section becomes ineffective by means other
3 than an ordinance of the Board.

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

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

12 (70 ILCS 3615/4.03.3 new)

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

20 (a) With respect to taxes imposed by the Authority, after
21 withholding 15% of the remaining proceeds from those taxes, and
22 15% of money received by the Authority from the Regional
23 Transportation Authority Occupation and Use Tax Replacement
24 Fund or from the Regional Transportation Authority tax fund
25 created in Section 4.03(n), the Board shall allocate the

1 remaining amount to the Service Boards as follows:

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

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

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

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

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

20 (1) \$100,000,000 shall be distributed annually to the
21 Regional Transportation Authority for deposit into the ADA
22 Paratransit Fund established by the Authority under
23 Section 2.01d of the Regional Transportation Authority
24 Act;

25 (2) \$10,000,000 shall be distributed annually to the
26 Regional Transportation Authority for deposit into the

1 Innovation, Coordination, and Enhancement Fund established
2 by the Authority under Section 2.01c of the Regional
3 Transportation Authority Act;

4 (3) \$20,000,000 shall be distributed annually to the
5 Regional Transportation Authority for deposit into the
6 Suburban Community Mobility Fund established by the
7 Authority under Section 2.01e of the Regional
8 Transportation Authority Act;

9 (4) Beginning in calendar year 2009 and continuing
10 through 2039, \$100,000,000 shall be distributed annually
11 to the Chicago Transit Authority; and

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

16 In 2009 and each year thereafter the amounts distributed to
17 the Authority for deposit in the ADA Paratransit Fund, the
18 Suburban Community Mobility Fund and the Innovative,
19 Coordination and Enhancement Fund respectively shall equal the
20 amount deposited in the previous year increased or decreased by
21 the percentage growth or decline in revenues received by the
22 Authority from the State for the transfer of moneys pursuant to
23 Section 4.09(a) (2) in the previous State fiscal year.

24 (d) The Authority by ordinance adopted by 12 of its then
25 Directors shall apportion to the Service Boards moneys provided
26 by the State of Illinois under Section 4.09(a) (1) as it shall

1 determine and shall make payment of the amounts to each Service
2 Board as soon as may be practicable upon their receipt,
3 provided the Authority has adopted a balanced budget as
4 required by Section 4.01 and further provided the Service Board
5 is in compliance with the requirements in Section 4.11.

6 (e) Beginning January 1, 2009, before making any payments,
7 transfers, or expenditures under this Section to a Service
8 Board, the Authority must first comply with Section 4.02a or
9 4.02b of this Act, whichever may be applicable.

10 (70 ILCS 3615/4.04) (from Ch. 111 2/3, par. 704.04)

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

12 (a) The Authority shall have the continuing power to borrow
13 money and to issue its negotiable bonds or notes as provided in
14 this Section. Unless otherwise indicated in this Section, the
15 term "notes" also includes bond anticipation notes, which are
16 notes which by their terms provide for their payment from the
17 proceeds of bonds thereafter to be issued. Bonds or notes of
18 the Authority may be issued for any or all of the following
19 purposes: to pay costs to the Authority or a Service Board of
20 constructing or acquiring any public transportation facilities
21 (including funds and rights relating thereto, as provided in
22 Section 2.05 of this Act); to repay advances to the Authority
23 or a Service Board made for such purposes; to pay other
24 expenses of the Authority or a Service Board incident to or
25 incurred in connection with such construction or acquisition;

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

15 In addition to any other borrowing as may be authorized by
16 this Section, the Authority may issue its notes, from time to
17 time, in anticipation of tax receipts of the Authority or of
18 other revenues or receipts of the Authority, in order to
19 provide money for the Authority or the Service Boards to cover
20 any cash flow deficit which the Authority or a Service Board
21 anticipates incurring. Any such notes are referred to in this
22 Section as "Working Cash Notes". No Working Cash Notes shall be
23 issued for a term of longer than 24 ~~18~~ months. Proceeds of
24 Working Cash Notes may be used to pay day to day operating
25 expenses of the Authority or the Service Boards, consisting of
26 wages, salaries and fringe benefits, professional and

1 technical services (including legal, audit, engineering and
2 other consulting services), office rental, furniture, fixtures
3 and equipment, insurance premiums, claims for self-insured
4 amounts under insurance policies, public utility obligations
5 for telephone, light, heat and similar items, travel expenses,
6 office supplies, postage, dues, subscriptions, public hearings
7 and information expenses, fuel purchases, and payments of
8 grants and payments under purchase of service agreements for
9 operations of transportation agencies, prior to the receipt by
10 the Authority or a Service Board from time to time of funds for
11 paying such expenses. In addition to any Working Cash Notes
12 that the Board of the Authority may determine to issue, the
13 Suburban Bus Board, the Commuter Rail Board or the Board of the
14 Chicago Transit Authority may demand and direct that the
15 Authority issue its Working Cash Notes in such amounts and
16 having such maturities as the Service Board may determine.

17 Notwithstanding any other provision of this Act, any
18 amounts necessary to pay principal of and interest on any
19 Working Cash Notes issued at the demand and direction of a
20 Service Board or any Working Cash Notes the proceeds of which
21 were used for the direct benefit of a Service Board or any
22 other Bonds or Notes of the Authority the proceeds of which
23 were used for the direct benefit of a Service Board shall
24 constitute a reduction of the amount of any other funds
25 provided by the Authority to that Service Board. The Authority
26 shall, after deducting any costs of issuance, tender the net

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

20 (b) The ordinance providing for the issuance of any such
21 bonds or notes shall fix the date or dates of maturity, the
22 dates on which interest is payable, any sinking fund account or
23 reserve fund account provisions and all other details of such
24 bonds or notes and may provide for such covenants or agreements
25 necessary or desirable with regard to the issue, sale and
26 security of such bonds or notes. The rate or rates of interest

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

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

1 self-insurance or a joint self-insurance pool or entity may be
2 sold either upon competitive bidding or by negotiated sale
3 (without any requirement of publication of intention to
4 negotiate the sale of such Notes), as the Board shall determine
5 by ordinance adopted with the affirmative votes of at least 9 ~~7~~
6 Directors. In case any officer whose signature appears on any
7 bonds, notes or coupons authorized pursuant to this Section
8 shall cease to be such officer before delivery of such bonds or
9 notes, such signature shall nevertheless be valid and
10 sufficient for all purposes, the same as if such officer had
11 remained in office until such delivery. Neither the Directors
12 of the Authority nor any person executing any bonds or notes
13 thereof shall be liable personally on any such bonds or notes
14 or coupons by reason of the issuance thereof.

15 (c) All bonds or notes of the Authority issued pursuant to
16 this Section shall be general obligations of the Authority to
17 which shall be pledged the full faith and credit of the
18 Authority, as provided in this Section. Such bonds or notes
19 shall be secured as provided in the authorizing ordinance,
20 which may, notwithstanding any other provision of this Act,
21 include in addition to any other security, a specific pledge or
22 assignment of and lien on or security interest in any or all
23 tax receipts of the Authority and on any or all other revenues
24 or moneys of the Authority from whatever source, which may by
25 law be utilized for debt service purposes and a specific pledge
26 or assignment of and lien on or security interest in any funds

1 or accounts established or provided for by the ordinance of the
2 Authority authorizing the issuance of such bonds or notes. Any
3 such pledge, assignment, lien or security interest for the
4 benefit of holders of bonds or notes of the Authority shall be
5 valid and binding from the time the bonds or notes are issued
6 without any physical delivery or further act and shall be valid
7 and binding as against and prior to the claims of all other
8 parties having claims of any kind against the Authority or any
9 other person irrespective of whether such other parties have
10 notice of such pledge, assignment, lien or security interest.
11 The obligations of the Authority incurred pursuant to this
12 Section shall be superior to and have priority over any other
13 obligations of the Authority.

14 The Authority may provide in the ordinance authorizing the
15 issuance of any bonds or notes issued pursuant to this Section
16 for the creation of, deposits in, and regulation and
17 disposition of sinking fund or reserve accounts relating to
18 such bonds or notes. The ordinance authorizing the issuance of
19 any bonds or notes pursuant to this Section may contain
20 provisions as part of the contract with the holders of the
21 bonds or notes, for the creation of a separate fund to provide
22 for the payment of principal and interest on such bonds or
23 notes and for the deposit in such fund from any or all the tax
24 receipts of the Authority and from any or all such other moneys
25 or revenues of the Authority from whatever source which may by
26 law be utilized for debt service purposes, all as provided in

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

12 (d) The ordinance of the Authority authorizing the issuance
13 of any bonds or notes may provide additional security for such
14 bonds or notes by providing for appointment of a corporate
15 trustee (which may be any trust company or bank having the
16 powers of a trust company within the state) with respect to
17 such bonds or notes. The ordinance shall prescribe the rights,
18 duties and powers of the trustee to be exercised for the
19 benefit of the Authority and the protection of the holders of
20 such bonds or notes. The ordinance may provide for the trustee
21 to hold in trust, invest and use amounts in funds and accounts
22 created as provided by the ordinance with respect to the bonds
23 or notes. The ordinance may provide for the assignment and
24 direct payment to the trustee of any or all amounts produced
25 from the sources provided in Section 4.03 and Section 4.09 of
26 this Act and provided in Section 6z-17 of "An Act in relation

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

15 (e) Any bonds or notes of the Authority issued pursuant to
16 this Section shall constitute a contract between the Authority
17 and the holders from time to time of such bonds or notes. In
18 issuing any bond or note, the Authority may include in the
19 ordinance authorizing such issue a covenant as part of the
20 contract with the holders of the bonds or notes, that as long
21 as such obligations are outstanding, it shall make such
22 deposits, as provided in paragraph (c) of this Section. It may
23 also so covenant that it shall impose and continue to impose
24 taxes, as provided in Section 4.03 of this Act and in addition
25 thereto as subsequently authorized by law, sufficient to make
26 such deposits and pay the principal and interest and to meet

1 other debt service requirements of such bonds or notes as they
2 become due. A certified copy of the ordinance authorizing the
3 issuance of any such obligations shall be filed at or prior to
4 the issuance of such obligations with the Comptroller of the
5 State of Illinois and the Illinois Department of Revenue.

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

25 (g) (1) Except as provided in subdivisions (g)(2) and
26 (g)(3) of Section 4.04 of this Act, the Authority shall not

1 at any time issue, sell or deliver any bonds or notes
2 (other than Working Cash Notes) pursuant to this Section
3 4.04 which will cause it to have issued and outstanding at
4 any time in excess of \$800,000,000 of such bonds and notes
5 (other than Working Cash Notes). The Authority shall not at
6 any time issue, sell, or deliver any Working Cash Notes
7 pursuant to this Section that will cause it to have issued
8 and outstanding at any time in excess of \$100,000,000.
9 Notwithstanding the foregoing, before January 1, 2009, the
10 Authority may issue, sell, and deliver an additional
11 \$300,000,000 in Working Cash Notes, provided that any such
12 additional notes shall mature on or before December 31,
13 2010. ~~The Authority shall not at any time issue, sell or~~
14 ~~deliver any Working Cash Notes pursuant to this Section~~
15 ~~which will cause it to have issued and outstanding at any~~
16 ~~time in excess of \$100,000,000 of Working Cash Notes.~~ Bonds
17 or notes which are being paid or retired by such issuance,
18 sale or delivery of bonds or notes, and bonds or notes for
19 which sufficient funds have been deposited with the paying
20 agency of such bonds or notes to provide for payment of
21 principal and interest thereon or to provide for the
22 redemption thereof, all pursuant to the ordinance
23 authorizing the issuance of such bonds or notes, shall not
24 be considered to be outstanding for the purposes of the
25 first two sentences of this subsection.

26 (2) In addition to the authority provided by paragraphs

1 (1) and (3), the Authority is authorized to issue, sell and
2 deliver bonds or notes for Strategic Capital Improvement
3 Projects approved pursuant to Section 4.13 as follows:

4 \$100,000,000 is authorized to be issued on or after
5 January 1, 1990;

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

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

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

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

14 the aggregate total authorization of bonds and notes
15 for Strategic Capital Improvement Projects as of January 1,
16 1994, shall be \$500,000,000.

17 The Authority is also authorized to issue, sell, and
18 deliver bonds or notes in such amounts as are necessary to
19 provide for the refunding or advance refunding of bonds or
20 notes issued for Strategic Capital Improvement Projects
21 under this subdivision (g)(2), provided that no such
22 refunding bond or note shall mature later than the final
23 maturity date of the series of bonds or notes being
24 refunded, and provided further that the debt service
25 requirements for such refunding bonds or notes in the
26 current or any future fiscal year shall not exceed the debt

1 service requirements for that year on the refunded bonds or
2 notes.

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

8 \$260,000,000 is authorized to be issued on or after
9 January 1, 2000;

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

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

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

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

18 the aggregate total authorization of bonds and notes
19 for Strategic Capital Improvement Projects pursuant to
20 this paragraph (3) as of January 1, 2004 shall be
21 \$1,300,000,000.

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

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

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

18 (70 ILCS 3615/4.09) (from Ch. 111 2/3, par. 704.09)

19 Sec. 4.09. Public Transportation Fund and the Regional
20 Transportation Authority Occupation and Use Tax Replacement
21 Fund.

22 (a) (1) ~~(a) As soon as possible after the first day of each~~
23 ~~month, beginning November 1, 1983, the Comptroller shall order~~
24 ~~transferred and the Treasurer shall transfer from the General~~
25 ~~Revenue Fund to a special fund in the State Treasury, to be~~

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

26 (2) In addition to any other deposits or transfers into the

1 Public Transportation Fund, beginning on the 25th day after the
2 month in which retailers of motor fuel in the metropolitan
3 region are required under the Retailers' Occupation Tax Act to
4 separately file a report with the Illinois Department of
5 Revenue of gross receipts on the sale of motor fuel in
6 accordance with the provisions of this amendatory Act of the
7 95th General Assembly, on or before the 25th day of each
8 calendar month, the Illinois Department of Revenue shall
9 prepare and certify to the Comptroller the transfer of stated
10 sums of money from the General Revenue Fund into the Public
11 Transportation Fund. The amount to be certified shall be a
12 percentage of the amount collected by the Department of Revenue
13 from sales of motor fuel by the retailer in the metropolitan
14 region during the preceding calendar month (including amounts
15 prepaid by the retailer to the motor fuel distributor under
16 Section 2d of the Retailers' Occupation Tax Act). The
17 Department of Revenue shall determine the amount collected from
18 the sale of motor fuel by retailers in the metropolitan region
19 based on reports required to be filed under the Retailers'
20 Occupation Tax Act in accordance with this Amendatory Act of
21 the 95th General Assembly. For each monthly transfer, the
22 amount to be certified shall be 80% of the net revenue realized
23 from the 6.25% general rate on the selling price of motor fuel
24 sold by a retailer that is located within the metropolitan
25 region, provided in State fiscal year 2010, the amount
26 transferred shall not exceed 105% of the amount transferred in

1 State fiscal year 2009. In State fiscal year 2011 and each
2 State fiscal year thereafter, the amount transferred shall not
3 exceed 105% of the maximum amount that could have been
4 transferred in the previous State fiscal year. In no State
5 fiscal year shall the amount transferred be less than the
6 amount transferred in the previous State fiscal year. Within 10
7 days after receipt by the Comptroller of the transfer
8 certification from the Department of Revenue, the Comptroller
9 shall order transferred and the Treasurer shall transfer the
10 amount certified from the General Revenue Fund into the Public
11 Transportation Fund. For purposes of this Section, "motor fuel"
12 means that term as defined in the Motor Fuel Tax Law, not
13 including aviation fuel, and "metropolitan region" means that
14 term as defined in the Regional Transportation Authority Act.

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

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

23 (c) In recognition of the efforts of the Authority to
24 enhance the mass transportation facilities under its control,
25 the State shall provide financial assistance ("Additional
26 State Assistance") in excess of the amounts transferred to the

1 Authority from the General Revenue Fund under subsection (a) of
2 this Section. Additional State Assistance shall be calculated
3 as provided in subsection (d), but shall in no event exceed the
4 following specified amounts with respect to the following State
5 fiscal years:

6	1990	\$5,000,000;
7	1991	\$5,000,000;
8	1992	\$10,000,000;
9	1993	\$10,000,000;
10	1994	\$20,000,000;
11	1995	\$30,000,000;
12	1996	\$40,000,000;
13	1997	\$50,000,000;
14	1998	\$55,000,000; and
15	each year thereafter	\$55,000,000.

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

25	2000	\$0;
26	2001	\$16,000,000;

1 2002 \$35,000,000;
2 2003 \$54,000,000;
3 2004 \$73,000,000;
4 2005 \$93,000,000; and
5 each year thereafter \$100,000,000.

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

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

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

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

25 (4) The amount of interest, if any, earned by the
26 Authority during the previous State fiscal year on the

1 proceeds of bonds or notes issued pursuant to subdivisions
2 (g) (2) and (g) (3) of Section 4.04, other than refunding or
3 advance refunding bonds or notes.

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

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

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

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

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

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

1 under item (4) above, with respect to those bonds and
2 notes.

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

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

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

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

24 (i) whether the aggregate of all system generated
25 revenues for public transportation in the metropolitan
26 region which is provided by, or under grant or purchase of

1 service contracts with, the Service Boards equals 50% of
2 the aggregate of all costs of providing such public
3 transportation. "System generated revenues" include all
4 the proceeds of fares and charges for services provided,
5 contributions received in connection with public
6 transportation from units of local government other than
7 the Authority and from the State pursuant to subsection (i)
8 of Section 2705-305 of the Department of Transportation Law
9 (20 ILCS 2705/2705-305), and all other revenues properly
10 included consistent with generally accepted accounting
11 principles but may not include: the proceeds from any
12 borrowing, and, beginning with the 2007 fiscal year, all
13 revenues and receipts, including but not limited to fares
14 and grants received from the federal, State or any unit of
15 local government or other entity, derived from providing
16 ADA paratransit service pursuant to Section 2.30 of the
17 Regional Transportation Authority Act. "Costs" include all
18 items properly included as operating costs consistent with
19 generally accepted accounting principles, including
20 administrative costs, but do not include: depreciation;
21 payment of principal and interest on bonds, notes or other
22 evidences of obligations for borrowed money of the
23 Authority; payments with respect to public transportation
24 facilities made pursuant to subsection (b) of Section 2.20;
25 any payments with respect to rate protection contracts,
26 credit enhancements or liquidity agreements made under

1 Section 4.14; any other cost as to which it is reasonably
2 expected that a cash expenditure will not be made; costs ~~up~~
3 ~~to \$5,000,000 annually~~ for passenger security including
4 grants, contracts, personnel, equipment and administrative
5 expenses, except in the case of the Chicago Transit
6 Authority, in which case the term does not include costs
7 spent annually by that entity for protection against crime
8 as required by Section 27a of the Metropolitan Transit
9 Authority Act; the costs of Debt Service paid by the
10 Chicago Transit Authority, as defined in Section 12c of the
11 Metropolitan Transit Authority Act, or bonds or notes
12 issued pursuant to that Section; the payment by the
13 Commuter Rail Division of debt service on bonds issued
14 pursuant to Section 3B.09; expenses incurred by the
15 Suburban Bus Division for the cost of new public
16 transportation services funded from grants pursuant to
17 Section 2.01e of this amendatory Act of the 95th General
18 Assembly for a period of 2 years from the date of
19 initiation of each such service; costs as exempted by the
20 Board for projects pursuant to Section 2.09 of this Act;
21 or, beginning with the 2007 fiscal year, expenses related
22 to providing ADA paratransit service pursuant to Section
23 2.30 of the Regional Transportation Authority Act; or in
24 fiscal years 2008 through 2012 inclusive, costs in the
25 amount of \$200,000,000 in fiscal year 2008, reducing by
26 \$40,000,000 in each fiscal year thereafter until this

1 exemption is eliminated. If said system generated revenues
2 are less than 50% of said costs, the Board shall remit an
3 amount equal to the amount of the deficit to the State. The
4 Treasurer shall deposit any such payment in the General
5 Revenue Fund; and

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

12 (h) If the Authority makes any payment to the State under
13 paragraph (g), the Authority shall reduce the amount provided
14 to a Service Board from funds transferred under paragraph (a)
15 in proportion to the amount by which that Service Board failed
16 to meet its required system generated revenues recovery ratio.
17 A Service Board which is affected by a reduction in funds under
18 this paragraph shall submit to the Authority concurrently with
19 its next due quarterly report a revised budget incorporating
20 the reduction in funds. The revised budget must meet the
21 criteria specified in clauses (i) through (vi) of Section
22 4.11(b)(2). The Board shall review and act on the revised
23 budget as provided in Section 4.11(b)(3).

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

25 (70 ILCS 3615/4.11) (from Ch. 111 2/3, par. 704.11)

1 Sec. 4.11. Budget Review Powers.

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

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

1 Suburban Bus Board, and the Commuter Rail Board, or any of
2 them. During fiscal years 2008 through 2012, the Board may also
3 allocate the exemption of \$200,000,000 and the reducing amounts
4 of costs provided by this amendatory Act of the 95th General
5 Assembly from the farebox recovery ratio or system generated
6 revenues recovery ratio of each Service Board. ~~For the fiscal~~
7 ~~year beginning January 1, 1986 and ending December 31, 1986,~~
8 ~~and for the fiscal year beginning January 1, 1987 and ending~~
9 ~~December 31, 1987, the Board shall, by ordinance, provide that:~~
10 ~~(1) the amount of a grant, pursuant to Section 2705-310 of the~~
11 ~~Department of Transportation Law (20 ILCS 2705/2705-310), from~~
12 ~~the Department of Transportation for the cost of services for~~
13 ~~the mobility limited provided by the Chicago Transit Authority,~~
14 ~~and (2) the amount of a grant, pursuant to Section 2705-310 of~~
15 ~~the Department of Transportation Law (20 ILCS 2705/2705-310),~~
16 ~~from the Department of Transportation for the cost of services~~
17 ~~for the mobility limited by the Suburban Bus Board or the~~
18 ~~Commuter Rail Board, be exempt from the farebox recovery ratio~~
19 ~~or the system generated revenues recovery ratio.~~

20 (b) (1) Not later than the next preceding November 15 prior
21 to the commencement of such fiscal year, each Service Board
22 shall submit to the Authority its proposed budget for such
23 fiscal year and its proposed financial plan for the two
24 following fiscal years. Such budget and financial plan shall
25 (i) be prepared in the format, follow the financial and
26 budgetary practices, and be based on any assumptions and

1 projections required by the Authority and (ii) not project or
2 assume a receipt of revenues from the Authority in amounts
3 greater than those set forth in the estimates provided by the
4 Authority pursuant to subsection (a) of this Section.

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

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

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

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

25 (iii) ~~(iv)~~ such budget and plan provide for a level of
26 fares or charges and operating or administrative costs for

1 the public transportation provided by or subject to the
2 jurisdiction of such Service Board sufficient to allow the
3 Service Board to meet its required system generated revenue
4 recovery ratio and, beginning with the 2007 fiscal year,
5 system generated ADA paratransit services revenue recovery
6 ratio;

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

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

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

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

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

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

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

25 (c)(1) If the Board shall at any time have received a
26 revised estimate, or revises any estimate the Board has made,

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

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

26 (3) If the Board shall determine that a revised budget

1 submitted by a Service Board pursuant to subparagraph (1) or
2 (2) of this paragraph (c) does not meet the criteria specified
3 in clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of
4 paragraph (b) of this Section, the Board shall withhold from
5 ~~not release any monies to~~ that Service Board 25% of ~~except~~ the
6 cash proceeds of taxes imposed by the Authority under Section
7 4.03 or 4.03.1 and received by the Authority after February 1
8 and 25% of the amounts transferred to the Authority from the
9 Public Transportation Fund under Section 4.09(a) after
10 February 1 that the Board has estimated to be available ~~which~~
11 ~~are allocated to that the~~ Service Board under Section 4.11(a)
12 ~~4.01~~. If the Service Board submits a revised financial plan and
13 budget which plan and budget shows that the criteria will be
14 met within a four quarter period, the Board shall ~~continue to~~
15 release any such withheld funds to the Service Board. The Board
16 by the affirmative vote of at least 12 ~~a 9 vote~~ of its then
17 Directors may require a Service Board to submit a revised
18 financial plan and budget which shows that the criteria will be
19 met in a time period less than four quarters.

20 (d) All budgets and financial plans, financial statements,
21 audits and other information presented to the Authority
22 pursuant to this Section or which may be required by the Board
23 to permit it to monitor compliance with the provisions of this
24 Section shall be prepared and presented in such manner and
25 frequency and in such detail as shall have been prescribed by
26 the Board, shall be prepared on both an accrual and cash flow

1 basis as specified by the Board, shall present such information
2 as the Authority shall prescribe that fairly presents the
3 condition of any pension plan or trust for health care benefits
4 with respect to retirees established by the Service Board and
5 describes the plans of the Service Board to meet the
6 requirements of Sections 4.02a and 4.02b, and shall identify
7 and describe the assumptions and projections employed in the
8 preparation thereof to the extent required by the Board. If the
9 Executive Director certifies that a Service Board has not
10 presented its budget and two-year financial plan in conformity
11 with the rules adopted by the Authority under the provisions of
12 Section 4.01(f) and this subsection (d), and such certification
13 is accepted by the affirmative vote of at least 12 of the then
14 Directors of the Authority, the Authority shall not distribute
15 to that Service Board any funds for operating purposes in
16 excess of the amounts distributed for such purposes to the
17 Service Board in the previous fiscal year. Except when the
18 Board adopts a budget and a financial plan for a Service Board
19 under paragraph (b) (5), a Service Board shall provide for such
20 levels of transportation services and fares or charges therefor
21 as it deems appropriate and necessary in the preparation of a
22 budget and financial plan meeting the criteria set forth in
23 clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of paragraph
24 (b) of this Section. The Authority Board shall have access to
25 and the right to examine and copy all books, documents, papers,
26 records, or other source data of a Service Board relevant to

1 any information submitted pursuant to this Section.

2 (e) Whenever this Section requires the Board to make
3 determinations with respect to estimates, budgets or financial
4 plans, or rules or regulations with respect thereto such
5 determinations shall be made upon the affirmative vote of at
6 least 12 ~~9~~ of the then Directors and shall be incorporated in a
7 written report of the Board and such report shall be submitted
8 within 10 days after such determinations are made to the
9 Governor, the Mayor of Chicago (if such determinations relate
10 to the Chicago Transit Authority), and the Auditor General of
11 Illinois.

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

13 (70 ILCS 3615/4.13) (from Ch. 111 2/3, par. 704.13)

14 Sec. 4.13. Annual Capital Improvement Plan.

15 (a) With respect to each calendar year, the Authority shall
16 prepare as part of its Five Year Program an Annual Capital
17 Improvement Plan (the "Plan") which shall describe its intended
18 development and implementation of the Strategic Capital
19 Improvement Program. The Plan shall include the following
20 information:

21 (i) a list of projects for which approval is sought
22 from the Governor, with a description of each project
23 stating at a minimum the project cost, its category, its
24 location and the entity responsible for its
25 implementation;

1 (ii) a certification by the Authority that the
2 Authority and the Service Boards have applied for all
3 grants, loans and other moneys made available by the
4 federal government or the State of Illinois during the
5 preceding federal and State fiscal years for financing its
6 capital development activities;

7 (iii) a certification that, as of September 30 of the
8 preceding calendar year or any later date, the balance of
9 all federal capital grant funds and all other funds to be
10 used as matching funds therefor which were committed to or
11 possessed by the Authority or a Service Board but which had
12 not been obligated was less than \$350,000,000, or a greater
13 amount as authorized in writing by the Governor (for
14 purposes of this subsection (a), "obligated" means
15 committed to be paid by the Authority or a Service Board
16 under a contract with a nongovernmental entity in
17 connection with the performance of a project or committed
18 under a force account plan approved by the federal
19 government);

20 (iv) a certification that the Authority has adopted a
21 balanced budget with respect to such calendar year under
22 Section 4.01 of this Act;

23 (v) a schedule of all bonds or notes previously issued
24 for Strategic Capital Improvement Projects and all debt
25 service payments to be made with respect to all such bonds
26 and the estimated additional debt service payments through

1 June 30 of the following calendar year expected to result
2 from bonds to be sold prior thereto;

3 (vi) a long-range summary of the Strategic Capital
4 Improvement Program describing the projects to be funded
5 through the Program with respect to project cost, category,
6 location, and implementing entity, and presenting a
7 financial plan including an estimated time schedule for
8 obligating funds for the performance of approved projects,
9 issuing bonds, expending bond proceeds and paying debt
10 service throughout the duration of the Program; and

11 (vii) the source of funding for each project in the
12 Plan. For any project for which full funding has not yet
13 been secured and which is not subject to a federal full
14 funding contract, the Authority must identify alternative,
15 dedicated funding sources available to complete the
16 project. The Governor may waive this requirement on a
17 project by project basis.

18 (b) The Authority shall submit the Plan with respect to any
19 calendar year to the Governor on or before January 15 of that
20 year, or as soon as possible thereafter; provided, however,
21 that the Plan shall be adopted on the affirmative votes of 12 ~~9~~
22 of the then Directors. The Plan may be revised or amended at
23 any time, but any revision in the projects approved shall
24 require the Governor's approval.

25 (c) The Authority shall seek approval from the Governor
26 only through the Plan or an amendment thereto. The Authority

1 shall not request approval of the Plan from the Governor in any
2 calendar year in which it is unable to make the certifications
3 required under items (ii), (iii) and (iv) of subsection (a). In
4 no event shall the Authority seek approval of the Plan from the
5 Governor for projects in an aggregate amount exceeding the
6 proceeds of bonds or notes for Strategic Capital Improvement
7 Projects issued under Section 4.04 of this Act.

8 (d) The Governor may approve the Plan for which approval is
9 requested. The Governor's approval is limited to the amount of
10 the project cost stated in the Plan. The Governor shall not
11 approve the Plan in a calendar year if the Authority is unable
12 to make the certifications required under items (ii), (iii) and
13 (iv) of subsection (a). In no event shall the Governor approve
14 the Plan for projects in an aggregate amount exceeding the
15 proceeds of bonds or notes for Strategic Capital Improvement
16 Projects issued under Section 4.04 of this Act.

17 (e) With respect to capital improvements, only those
18 capital improvements which are in a Plan approved by the
19 Governor shall be financed with the proceeds of bonds or notes
20 issued for Strategic Capital Improvement Projects.

21 (f) Before the Authority or a Service Board obligates any
22 funds for a project for which the Authority or Service Board
23 intends to use the proceeds of bonds or notes for Strategic
24 Capital Improvement Projects, but which project is not included
25 in an approved Plan, the Authority must notify the Governor of
26 the intended obligation. No project costs incurred prior to

1 approval of the Plan including that project may be paid from
2 the proceeds of bonds or notes for Strategic Capital
3 Improvement Projects issued under Section 4.04 of this Act.

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

5 (70 ILCS 3615/4.14) (from Ch. 111 2/3, par. 704.14)

6 Sec. 4.14. Rate Protection Contract. "Rate Protection
7 Contract" means interest rate price exchange agreements;
8 currency exchange agreements; forward payment conversion
9 agreements; contracts providing for payment or receipt of funds
10 based on levels of, or changes in, interest rates, currency
11 exchange rates, stock or other indices; contracts to exchange
12 cash flows or a series of payments; contracts, including
13 without limitation, interest rate caps; interest rate floor;
14 interest rate locks; interest rate collars; rate of return
15 guarantees or assurances, to manage payment, currency, rate,
16 spread or similar exposure; the obligation, right, or option to
17 issue, put, lend, sell, grant a security interest in, buy,
18 borrow or otherwise acquire, a bond, note or other security or
19 interest therein as an investment, as collateral, as a hedge,
20 or otherwise as a source or assurance of payment to or by the
21 Authority or as a reduction of the Authority's or an obligor's
22 risk exposure; repurchase agreements; securities lending
23 agreements; and other agreements or arrangements similar to the
24 foregoing.

25 Notwithstanding any provision in Section 2.20 (a) (ii) of

1 this Act to the contrary, in connection with or incidental to
2 the issuance by the Authority of its bonds or notes under the
3 provisions of Section 4.04 or the exercise of its powers under
4 subsection (b) of Section 2.20, the Authority, for its own
5 benefit or for the benefit of the holders of its obligations or
6 their trustee, may enter into rate protection contracts. The
7 Authority may enter into rate protection contracts only
8 pursuant to a determination by a vote of 12 ~~9~~ of the then
9 Directors that the terms of the contracts and any related
10 agreements reduce the risk of loss to the Authority, or
11 protect, preserve or enhance the value of its assets, or
12 provide compensation to the Authority for losses resulting from
13 changes in interest rates. The Authority's obligations under
14 any rate protection contract or credit enhancement or liquidity
15 agreement shall not be considered bonds or notes for purposes
16 of this Act. For purposes of this Section a rate protection
17 contract is a contract determined by the Authority as necessary
18 or appropriate to permit it to manage payment, currency or
19 interest rate risks or levels.

20 (Source: P.A. 87-764.)

21 (70 ILCS 3615/5.01) (from Ch. 111 2/3, par. 705.01)

22 Sec. 5.01. Hearings and Citizen Participation.

23 (a) The Authority shall provide for and encourage
24 participation by the public in the development and review of
25 public transportation policy, and in the process by which major

1 decisions significantly affecting the provision of public
2 transportation are made. The Authority shall coordinate such
3 public participation processes with the Chicago Metropolitan
4 Agency for Planning to the extent practicable.

5 (b) The Authority shall hold such public hearings as may be
6 required by this Act or as the Authority may deem appropriate
7 to the performance of any of its functions. The Authority shall
8 coordinate such public hearings with the Chicago Metropolitan
9 Agency for Planning to the extent practicable.

10 (c) Unless such items are specifically provided for either
11 in the Five-Year Capital Program or in the annual budget
12 program which has been the subject of public hearings as
13 provided in Sections 2.01 or 4.01 of this Act, the Board shall
14 hold public hearings at which citizens may be heard prior to:

15 (i) the construction or acquisition of any public
16 transportation facility, the aggregate cost of which exceeds \$5
17 million; and

18 (ii) the extension of, or major addition to services
19 provided by the Authority or by any transportation agency
20 pursuant to a purchase of service agreement with the Authority.

21 (d) Unless such items are specifically provided for in the
22 annual budget and program which has been the subject of public
23 hearing, as provided in Section 4.01 of this Act, the Board
24 shall hold public hearings at which citizens may be heard prior
25 to the providing for or allowing, by means of any purchase of
26 service agreement or any grant pursuant to Section 2.02 of this

1 Act, any general increase or series of increases in fares or
2 charges for public transportation, whether by the Authority or
3 by any transportation agency, which increase or series of
4 increases within any twelve months affects more than 25% of the
5 consumers of service of the Authority or of the transportation
6 agency; or so providing for or allowing any discontinuance of
7 any public transportation route, or major portion thereof,
8 which has been in service for more than a year.

9 (e) At least twenty days prior notice of any public
10 hearing, as required in this Section, shall be given by public
11 advertisement in a newspaper of general circulation in the
12 metropolitan region.

13 (f) The Authority may designate one or more Directors or
14 may appoint one or more hearing officers to preside over any
15 hearing pursuant to this Act. The Authority shall have the
16 power in connection with any such hearing to issue subpoenas to
17 require the attendance of witnesses and the production of
18 documents, and the Authority may apply to any circuit court in
19 the State to require compliance with such subpoenas.

20 (g) The Authority may require any Service Board to hold one
21 or more public hearings with respect to any item described in
22 paragraphs (c) and (d) of this Section 5.01, notwithstanding
23 whether such item has been the subject of a public hearing
24 under this Section 5.01 or Section 2.01 or 4.01 of this Act.

25 (Source: P.A. 78-3rd S.S.-5.)

1 (70 ILCS 3615/2.12a rep.)

2 (70 ILCS 3615/3.09 rep.)

3 (70 ILCS 3615/3.10 rep.)

4 Section 25. The Regional Transportation Authority Act is
5 amended by repealing Sections 2.12a, 3.09, and 3.10.

6 Section 97. Severability. The provisions of this Act are
7 severable under Section 1.31 of the Statute on Statutes.

8 Section 99. Effective date. This Act takes effect upon
9 becoming law."