



Rep. Julie Hamos

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1 AMENDMENT TO SENATE BILL 572

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 572 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;

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; and

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

1           the final maturity of bonds or notes that it proposes  
2           to issue under Section 12c of the Metropolitan Transit  
3           Authority Act.

4           (2) The Board of Trustees of the Retirement Plan for  
5           Chicago Transit Authority Employees shall submit a  
6           certification that the Retirement Plan for Chicago Transit  
7           Authority Employees is operating in accordance with all  
8           applicable legal and contractual requirements, including  
9           the following:

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

13           (B) contribution levels for employees and the  
14           Authority have been established according to the  
15           requirements of Section 22-101(d) of the Illinois  
16           Pension Code.

17           (3) Actuarial Report. The Board of Trustees of the  
18           Retirement Plan for Chicago Transit Authority Employees  
19           shall submit an actuarial report prepared by an enrolled  
20           actuary setting forth:

21           (A) the method of valuation and the underlying  
22           assumptions;

23           (B) a comparison of the debt service schedules of  
24           the bonds or notes proposed to be issued to the  
25           Retirement Plan's current unfunded actuarial accrued  
26           liability amortization schedule, as required by

1           Section 22-101(e) of the Illinois Pension Code, using  
2           the projected interest cost of the bond or note issue  
3           as the discount rate to calculate the estimated net  
4           present value savings;

5           (C) the amount of the estimated net present value  
6           savings comparing the true interest cost of the  
7           bonds or notes with the actuarial investment  
8           return assumption of the Retirement Plan; and

9           (D) a certification that the net proceeds of the  
10           bonds or notes, together with anticipated earnings  
11           on contributions and deposits, will be sufficient  
12           to reasonably conclude on an actuarial basis that  
13           the total retirement assets of the Retirement Plan  
14           will not be less than 90% of its liabilities by the  
15           end of fiscal year 2058.

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

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

3           (A) it is legally authorized to issue the bonds or  
4           notes;

5           (B) scheduled annual payments of principal and  
6           interest on the bonds and notes to be issued meets the  
7           requirements of Section 12c(b)(5) of the Metropolitan  
8           Transit Authority Act;

9           (C) no bond or note shall mature later than  
10           December 31, 2039;

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

19           (E) it has entered into an intergovernmental  
20           agreement with the City of Chicago under which the City  
21           of Chicago will provide financial assistance to the  
22           Authority in an amount equal to the net receipts, after  
23           fees for costs of collection, from a tax on the  
24           privilege of transferring title to real estate in the  
25           City of Chicago in an amount up to \$1.50 per \$500 of  
26           value or fraction thereof under the provisions of

1           Section 8-3-19 of the Illinois Municipal Code, which  
2           agreement shall be for a term expiring no earlier than  
3           the final maturity of bonds or notes that it proposes  
4           to issue under Section 12c of the Metropolitan Transit  
5           Authority Act.

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 5.675 as follows:

2 (30 ILCS 105/5.675 new)

3 Sec. 5.675. The Downstate Transit Improvement Fund.

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

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

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

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

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

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

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

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

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

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

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



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

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

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

19 (30 ILCS 740/2-3) (from Ch. 111 2/3, par. 663)

20 Sec. 2-3. (a) As soon as possible after the first day of  
21 each month, beginning July 1, 1984, upon certification of the  
22 Department of Revenue, the Comptroller shall order  
23 transferred, and the Treasurer shall transfer, from the General  
24 Revenue Fund to a special fund in the State Treasury which is  
25 hereby created, to be known as the "Downstate Public

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

1 State pursuant to such Acts during the previous month from  
2 persons incurring municipal or county retailers' or service  
3 occupation tax liability for the benefit of any municipality or  
4 county located wholly within the boundaries of a participant,  
5 less the amount paid out during that same month as refunds or  
6 credit memoranda to taxpayers for overpayment of liability  
7 under such Acts for the benefit of any municipality or county  
8 located wholly within the boundaries of a participant.

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

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

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

17 (b-6) As soon as possible after the first day of each  
18 month, beginning in fiscal year 2009, upon certification of the  
19 Department of Revenue, the Comptroller shall order  
20 transferred, and the Treasurer shall transfer, from the General  
21 Revenue Fund to the Metro-East Public Transportation Fund, an  
22 amount equal to 3/32 of 80% of the net revenue realized from  
23 within the boundaries of Madison County under the State Tax  
24 Acts specified in subsection (a) of this Section.

25 (c) The Department shall certify to the Department of  
26 Revenue the eligible participants under this Article and the

1 territorial boundaries of such participants for the purposes of  
2 the Department of Revenue in subsections (a) and (b) of this  
3 Section.

4 (d) For the purposes of this Article the Department shall  
5 include in its annual request for appropriation of ordinary and  
6 contingent expenses an amount equal to the sum total funds  
7 projected to be paid to the participants pursuant to Section  
8 2-7.

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

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

19 (30 ILCS 740/2-7) (from Ch. 111 2/3, par. 667)

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

21 (a) Any Metro-East Transit District participant shall, no  
22 later than 60 days following the end of each quarter of any  
23 fiscal year, file with the Department on forms provided by the  
24 Department for that purpose, a report of the actual operating  
25 deficit experienced during that quarter. The Department shall,

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

9 (b) Each participant other than any Metro-East Transit  
10 District participant shall, 30 days before the end of each  
11 quarter, file with the Department on forms provided by the  
12 Department for such purposes a report of the projected eligible  
13 operating expenses to be incurred in the next quarter and 30  
14 days before the third and fourth quarters of any fiscal year a  
15 statement of actual eligible operating expenses incurred in the  
16 preceding quarters. Except as otherwise provided in subsection  
17 (b-5), within 45 days of receipt by the Department of such  
18 quarterly report, the Comptroller shall order paid and the  
19 Treasurer shall pay from the Downstate Public Transportation  
20 Fund to each participant an amount equal to one-third of such  
21 participant's eligible operating expenses; provided, however,  
22 that in Fiscal Year 1997, the amount paid to each participant  
23 from the Downstate Public Transportation Fund shall be an  
24 amount equal to 47% of such participant's eligible operating  
25 expenses and shall be increased to 49% in Fiscal Year 1998, 51%  
26 in Fiscal Year 1999, 53% in Fiscal Year 2000, ~~and~~ 55% in Fiscal

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

18 (b-5) (Blank.) ~~With respect to the District serving~~  
19 ~~primarily the counties of Monroe and St. Clair, beginning July~~  
20 ~~1, 2005 and each fiscal year thereafter, the District may, as~~  
21 ~~an alternative to the provisions of subsection (b) of Section~~  
22 ~~2-7, file a request with the Department for a monthly payment~~  
23 ~~of 1/12 of the amount appropriated to the District for that~~  
24 ~~fiscal year; except that, for the final month of the fiscal~~  
25 ~~year, the District's request shall be in an amount such that~~  
26 ~~the total payments made to the District in that fiscal year do~~

1 ~~not exceed the lesser of (i) 55% of the District's eligible~~  
2 ~~operating expenses for that fiscal year or (ii) the total~~  
3 ~~amount appropriated to the District for that fiscal year.~~

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

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

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



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

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

14 (30 ILCS 740/2-15) (from Ch. 111 2/3, par. 675.1)

15 Sec. 2-15. Except as otherwise provided in this Section,  
16 all funds which remain in the Downstate Public Transportation  
17 Fund or the Metro-East Public Transportation Fund after the  
18 payment of the fourth quarterly payment to participants other  
19 than Metro-East Transit District participants and the last  
20 monthly payment to Metro-East Transit participants in each  
21 fiscal year shall be transferred (i) to the General Revenue  
22 Fund through fiscal year 2008 and (ii) to the Downstate Transit  
23 Improvement Fund for fiscal year 2009 and each fiscal year  
24 thereafter. Transfers shall be made no later than 90 days  
25 following the end of such fiscal year. The Department shall use

1 moneys in the Downstate Transit Improvement Fund to make  
2 competitive capital grants to the participants of the  
3 respective funds. However, such amount as the Department  
4 determines to be necessary for (1) allocation to participants  
5 for the purposes of Section 2-7 for the first quarter of the  
6 succeeding fiscal year and (2) an amount equal to 2% of the  
7 total allocations to participants in the fiscal year just ended  
8 to be used for the purpose of audit adjustments shall be  
9 retained in such Funds to be used by the Department for such  
10 purposes.

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

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

14 (40 ILCS 5/22-101) (from Ch. 108 1/2, par. 22-101)

15 Sec. 22-101. Retirement plan for Chicago Transit Authority  
16 Employees. ~~Metropolitan Transit Authority (CTA) Pension Fund.~~

17 (a) There shall be established and maintained by the  
18 Authority created by the "Metropolitan Transit Authority Act",  
19 approved April 12, 1945, as amended, (referred to in this  
20 Section as the "Authority") a financially sound pension and  
21 retirement system adequate to provide for all payments when due  
22 under such established system or as modified from time to time  
23 by ordinance of the Chicago Transit Board or collective  
24 bargaining agreement. For this purpose, the Board must make

1 contributions to the established system as required under this  
2 Section and may make any additional contributions provided for  
3 by Board ordinance or collective bargaining agreement. The  
4 participating employees shall make such periodic payments to  
5 the established system as required under this Section and may  
6 make any additional contributions provided for ~~may be~~  
7 ~~determined~~ by Board ordinance or collective bargaining  
8 agreement. ~~The Board, in lieu of social security payments~~  
9 ~~required to be paid by private corporations engaged in similar~~  
10 ~~activity, shall make payments into such established system at~~  
11 ~~least equal in amount to the amount so required to be paid by~~  
12 ~~such private corporations.~~

13 Provisions shall be made by the Board for all ~~Board~~  
14 ~~members,~~ officers and employees of the Authority appointed  
15 pursuant to the "Metropolitan Transit Authority Act" to become,  
16 subject to reasonable rules and regulations, participants  
17 ~~members or beneficiaries~~ of the pension or retirement system  
18 with uniform rights, privileges, obligations and status as to  
19 the class in which such officers and employees belong. The  
20 terms, conditions and provisions of any pension or retirement  
21 system or of any amendment or modification thereof affecting  
22 employees who are members of any labor organization may be  
23 established, amended or modified by agreement with such labor  
24 organization, provided the terms, conditions and provisions  
25 must be consistent with this Act, the annual funding levels for  
26 the retirement system established by law must be met and the

1 benefits paid to future participants in the system may not  
2 exceed the benefit ceilings set for future participants under  
3 this Act and the contribution levels required by the Authority  
4 and its employees may not be less than the contribution levels  
5 established under this Act ~~but must be consistent with the~~  
6 ~~requirements of this Section.~~

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

24 Any person elected or appointed as a trustee of the board  
25 shall qualify by taking an oath of office that he or she will  
26 diligently and honestly administer the affairs of the system

1 and will not knowingly violate or willfully permit the  
2 violation of any of the provisions of law applicable to the  
3 Plan, including Sections 1-109, 1-109.1, 1-109.2, 1-110,  
4 1-111, 1-114, and 1-115 of the Illinois Pension Code.

5 Each trustee shall cast individual votes, and a majority  
6 vote shall be final and binding upon all interested parties.  
7 Each trustee shall have the rights, privileges, authority, and  
8 obligations as are usual and customary for such fiduciaries.

9 The Board of Trustees may cause amounts on deposit in the  
10 Retirement Plan to be invested in those investments that are  
11 permitted investments for the investment of moneys held under  
12 any one or more of the pension or retirement systems of the  
13 State, any unit of local government or school district, or any  
14 agency or instrumentality thereof, and may be placed under such  
15 investment management of the Illinois State Board of  
16 Investment, which is hereby authorized to manage these  
17 investments when so requested by the Board of Trustees.

18 (c) All individuals who were previously participants in the  
19 Retirement Plan for Chicago Transit Authority Employees shall  
20 remain participants, and shall receive the same benefits  
21 established by the Retirement Plan for Chicago Transit  
22 Authority Employees, except as provided in this amendatory Act  
23 or by subsequent legislative enactment or amendment to the  
24 Retirement Plan. For Authority employees hired on or after  
25 January 1, 2008, the Retirement Plan for Chicago Transit  
26 Authority Employees shall be the exclusive retirement plan and

1 such employees shall not be eligible for any supplemental plan.

2 For all Authority employees who are first hired on or after  
3 January 1, 2008 and are participants in the Retirement Plan for  
4 Chicago Transit Authority Employees, the following terms,  
5 conditions and provisions with respect to retirement shall be  
6 applicable:

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

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

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

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

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

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

25       (3) By September 15 of each year beginning in 2009 and  
26 ending on December 31, 2038, on the basis of a report prepared

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



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

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

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

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

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

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

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

25 (h) (1) As to an employee who first becomes entitled to a  
26 retirement allowance commencing on or after November 30, 1989,

1 the retirement allowance shall be the amount determined in  
2 accordance with the following formula:

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

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

12 Provided, however that:

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

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

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

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.

14 Provided, however that:

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

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

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

1 Provided, however that:

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

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

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

15 Provided, however that:

16 (6) The Plan for the 2001 plan year met or exceeded the  
17 actuarial assumptions agreed to by the Authority and the  
18 Association and set forth in the Plan and the Plan as of  
19 January 1, 2002 has a Funded Ratio of at least 86.47% or more,  
20 as to an employee who first becomes entitled to a retirement  
21 allowance commencing on or after January 1, 2002, the  
22 retirement allowance shall be the amount determined in  
23 accordance with the following formula:

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

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

2 (B) Two and thirty hundredths percent (2.30%) of his  
3 "Average Annual Compensation in the highest four (4)  
4 completed Plan Years" for each year (including fractions  
5 thereof to completed calendar months) of continuous  
6 service.

7 Provided, however that:

8 (7) The Plan for the 2001 and 2002 plan years on an  
9 aggregate basis met or exceeded the actuarial assumptions  
10 agreed to by the Authority and the Association and set forth in  
11 the Plan and the Plan as of January 1, 2003 has a Funded Ratio  
12 of at least 84.99% or more, as to an employee who first becomes  
13 entitled to a retirement allowance commencing on or after  
14 January 1, 2003, the retirement allowance shall be the amount  
15 determined in 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) Two and forty hundredths percent (2.40%) 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.

25 For the purposes of subparagraphs (6) and (7) of this  
26 subsection (a), the Funded Ratio shall be the Adjusted Assets

1 divided by the Actuarial Accrued Liability developed in  
2 accordance with Statement #25 promulgated by the Government  
3 Accounting Standards Board and the actuarial assumptions  
4 described in the Plan. The Adjusted Assets will be calculated  
5 based on the methodology described in the Plan.

6 The changes made by this Amendatory Act of the 95th General  
7 Assembly, to the extent that they affect the rights or  
8 privileges of Authority employees that are currently the  
9 subject of collective bargaining, have been agreed to between  
10 the authorized representatives of these employees and of the  
11 Authority prior to enactment of this amendatory Act, as  
12 evidenced by a Memorandum of Understanding between these  
13 representatives that will be filed with the Secretary of State  
14 Index Department and designated as "95-GA-C05". The General  
15 Assembly finds and declares that those changes are consistent  
16 with 49 U.S.C. 5333(b) (also known as Section 13(c) of the  
17 Federal Transit Act) because of this agreement between  
18 authorized representatives of these employees and of the  
19 Authority, and that any future amendments to the provisions of  
20 this amendatory Act of the 95th General Assembly, to the extent  
21 those amendments would affect the rights and privileges of  
22 Authority employees that are currently the subject of  
23 collective bargaining, would be consistent with 49 U.S.C.  
24 5333(b) if and only if those amendments were agreed to between  
25 these authorized representatives prior to enactment. Nothing  
26 in this amendatory Act of the 95th General Assembly shall be



1 construed to limit the rights or privileges of Authority  
2 employees under any other law.

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

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

8 (2) For the purposes of this Section, the Funded Ratio  
9 shall be the Adjusted Assets divided by the Actuarial  
10 Accrued Liability developed in accordance with Statement  
11 #25 promulgated by the Government Accounting Standards  
12 Board and the actuarial assumptions described in the Plan.  
13 The Adjusted Assets shall be calculated based on the  
14 methodology described in the Plan.

15 ~~(b) Beginning January 1, 2009, the Authority shall make~~  
16 ~~contributions to the retirement system in an amount which,~~  
17 ~~together with the contributions of participants, interest~~  
18 ~~earned on investments, and other income, will meet the cost of~~  
19 ~~maintaining and administering the retirement plan in~~  
20 ~~accordance with applicable actuarial recommendations and~~  
21 ~~assumptions and the requirements of this Section. These~~  
22 ~~contributions may be paid on a payroll or other periodic basis,~~  
23 ~~but shall in any case be paid at least monthly.~~

24 ~~For retirement system fiscal years 2009 through 2058, the~~  
25 ~~minimum contribution to the retirement system to be made by the~~  
26 ~~Authority for each fiscal year shall be an amount determined~~

1 ~~jointly by the Authority and the trustee of the retirement~~  
2 ~~system to be sufficient to bring the total assets of the~~  
3 ~~retirement system up to 90% of its total actuarial liabilities~~  
4 ~~by the end of fiscal year 2058. In making these determinations,~~  
5 ~~the required Authority contribution shall be calculated each~~  
6 ~~year as a level percentage of payroll over the years remaining~~  
7 ~~to and including fiscal year 2058 and shall be determined under~~  
8 ~~the projected unit credit actuarial cost method. Beginning in~~  
9 ~~retirement system fiscal year 2059, the minimum Authority~~  
10 ~~contribution for each fiscal year shall be the amount needed to~~  
11 ~~maintain the total assets of the retirement system at 90% of~~  
12 ~~the total actuarial liabilities of the system.~~

13 ~~For purposes of determining employer contributions and~~  
14 ~~actuarial liabilities under this subsection, contributions and~~  
15 ~~liabilities relating to health care benefits shall not be~~  
16 ~~included. As used in this Section, "retirement system fiscal~~  
17 ~~year" means the calendar year, or such other plan year as may~~  
18 ~~be defined from time to time in the agreement known as the~~  
19 ~~Retirement Plan for Chicago Transit Authority Employees, or its~~  
20 ~~successor agreement.~~

21 ~~(c) The Authority and the trustee shall jointly certify to~~  
22 ~~the Governor, the General Assembly, and the Board of the~~  
23 ~~Regional Transportation Authority on or before November 15 of~~  
24 ~~2008 and of each year thereafter the amount of the required~~  
25 ~~Authority contributions to the retirement system for the next~~  
26 ~~retirement system fiscal year under subsection (b). The~~

1 ~~certification shall include a copy of the actuarial~~  
2 ~~recommendations upon which it is based. In addition, copies of~~  
3 ~~the certification shall be sent to the Commission on Government~~  
4 ~~Forecasting and Accountability, the Mayor of Chicago, the~~  
5 ~~Chicago City Council, and the Cook County Board.~~

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

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

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

17 (40 ILCS 5/22-101B new)

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

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

1       (b) Effective January 1, 2008, a Retiree Health Care Trust  
2 is established for the purpose of providing health care  
3 benefits to eligible retirees and their dependents and  
4 survivors in accordance with the terms and conditions set forth  
5 in this Section 22-101B. The Retiree Health Care Trust shall be  
6 solely responsible for providing health care benefits to  
7 eligible retirees and their dependents and survivors by no  
8 later than January 1, 2009, but no earlier than July 1, 2008.

9       (1) The Board of Trustees shall consist of 7 members  
10 appointed as follows: (i) 3 trustees shall be appointed by  
11 the Chicago Transit Board; (ii) one trustee shall be  
12 appointed by an organization representing the highest  
13 number of Chicago Transit Authority participants; (iii)  
14 one trustee shall be appointed by an organization  
15 representing the second-highest number of Chicago Transit  
16 Authority participants; (iv) one trustee shall be  
17 appointed by the recognized coalition representatives of  
18 participants who are not represented by an organization  
19 with the highest or second-highest number of Chicago  
20 Transit Authority participants; and (v) one trustee shall  
21 be selected by the Regional Transportation Authority Board  
22 of Directors, and the trustee shall be a professional  
23 fiduciary who has experience in the area of collectively  
24 bargained retiree health plans. Trustees shall serve for a  
25 period of 3 years and until a successor has been appointed  
26 and qualified, or until resignation, death, incapacity, or

1       disqualification.

2       Any person elected or appointed as a trustee of the board  
3 shall qualify by taking an oath of office that he or she will  
4 diligently and honestly administer the affairs of the system,  
5 and will not knowingly violate or willfully permit the  
6 violation of any of the provisions of law applicable to the  
7 Plan, including Sections 1-109, 1-109.1, 1-109.2, 1-110,  
8 1-111, 1-114, and 1-115 of Article 1 of the Illinois Pension  
9 Code.

10       Each trustee shall cast individual votes, and a majority  
11 vote shall be final and binding upon all interested parties.  
12 Each trustee shall have the rights, privileges, authority and  
13 obligations as are usual and customary for such fiduciaries.

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

22       (3) The Retiree Health Care Trust shall be administered  
23 by the Board of Trustees according to the following  
24 requirements:

25           (i) The Board of Trustees may cause amounts on  
26 deposit in the Retiree Health Care Trust to be invested

1           in those investments that are permitted investments  
2           for the investment of moneys held under any one or more  
3           of the pension or retirement systems of the State, any  
4           unit of local government or school district, or any  
5           agency or instrumentality thereof, and may be placed  
6           under investment management of the Illinois State  
7           Board of Investment, which is hereby authorized to  
8           manage these investments when so requested by the Board  
9           of Trustees.

10           (ii) The Board of Trustees shall establish and  
11           maintain an appropriate funding reserve level which  
12           shall not be less than the amount of incurred and  
13           unreported claims plus 12 months of expected claims and  
14           administrative expenses.

15           (iii) The Board of Trustees shall make an annual  
16           assessment of the funding levels of the Retiree Health  
17           Care Trust and shall submit a report to the Auditor  
18           General at least 90 days prior to the end of the fiscal  
19           year. The report shall provide the following:

20                   (A) the actuarial present value of projected  
21                   benefits expected to be paid to current and future  
22                   retirees and their dependents and survivors;

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

25                   (C) the reserve required by subsection  
26                   (b) (3) (ii); and

1           (D) an assessment of whether the actuarial  
2           present value of projected benefits expected to be  
3           paid to current and future retirees and their  
4           dependents and survivors exceeds or is less than  
5           the actuarial present value of projected  
6           contributions and trust income plus assets in  
7           excess of the reserve required by subsection  
8           (b) (3) (ii).

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

1           in benefit levels, or both, to the extent of the  
2           surplus.

3           (iv) The Auditor General shall review the report  
4           and plan provided in subsection (b) (3) (iii) and issue a  
5           determination within 90 days after receiving the  
6           report and plan, with a copy of such determination  
7           provided to the General Assembly and the Regional  
8           Transportation Authority, as follows:

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



1           explain the basis for such determination to the  
2           Board of Trustees, and the Auditor General may make  
3           recommendations as to an alternative report and  
4           plan.

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

24          (C) The Board of Trustees shall submit an  
25          alternative report and plan within 45 days after  
26          receiving a rejection determination by the Auditor

1           General. A determination by the Auditor General on  
2           any alternative report and plan submitted by the  
3           Board of Trustees shall be made within 90 days  
4           after receiving the alternative report and plan,  
5           and shall be accepted or rejected according to the  
6           requirements of this subsection (b)(3)(iv). The  
7           Board of Trustees shall continue to submit  
8           alternative reports and plans to the Auditor  
9           General, as necessary, until a favorable  
10          determination is made by the Auditor General.

11          (4) For any retiree who first retires effective January  
12          1, 2008 or thereafter, to be eligible for retiree health  
13          care benefits upon retirement, the retiree must be at least  
14          55 years of age, retire with 10 or more years of continuous  
15          service and satisfy the preconditions established by this  
16          amendatory Act in addition to any rules or regulations  
17          promulgated by the Board of Trustees.

18          (5) Effective July 1, 2008, the aggregate amount of  
19          retiree, dependent and survivor contributions to the cost  
20          of their health care benefits shall not exceed more than  
21          45% of the total cost of such benefits. The Board of  
22          Trustees shall have the discretion to provide different  
23          contribution levels for retirees, dependents and survivors  
24          based on their years of service, level of coverage or  
25          Medicare eligibility, provided that the total contribution  
26          from all retirees, dependents, and survivors shall be not

1       more than 45% of the total cost of such benefits. The term  
2       "total cost of such benefits" for purposes of this  
3       subsection shall be the total amount expended by the  
4       retiree health benefit program in the prior plan year, as  
5       calculated and certified in writing by the Retiree Health  
6       Care Trust's enrolled actuary to be appointed and paid for  
7       by the Board of Trustees.

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

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

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

1 (65 ILCS 5/8-3-19)

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

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

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

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

26 A public hearing on a resolution to submit to

1 referendum the question of a proposed (increased) real  
2 estate transfer tax for (legal name of the municipality) in  
3 an amount of (rate) to be paid by the buyer (seller) of the  
4 real estate transferred will be held on (date) at (time) at  
5 (location). The current rate of real estate transfer tax  
6 imposed by (name of municipality) is (rate).

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

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

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

1 estate transfer tax with prior referendum approval. The  
2 referendum shall be conducted as provided in subsection (e). An  
3 existing ordinance or resolution imposing a real estate  
4 transfer tax may be amended without approval by referendum if  
5 the amendment does not increase the rate of the tax or add  
6 transactions on which the tax is imposed.

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

25 If a majority of the electors voting on the proposition  
26 vote in favor of it, the municipality may impose or increase

1 the municipal real estate transfer tax or fee.

2 (f) Nothing in this amendatory Act of 1996 shall limit the  
3 purposes for which real estate transfer tax revenues may be  
4 collected or expended.

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

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

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

1 both, for the sole purpose of providing financial assistance to  
2 the Chicago Transit Authority. All amounts collected under such  
3 supplemental tax shall be provided to the Chicago Transit  
4 Authority pursuant to an intergovernmental agreement as  
5 promptly as practicable upon their receipt. Such municipality  
6 shall file a copy of any ordinance imposing or increasing such  
7 tax with the Illinois Department of Revenue and shall file a  
8 report with the Department each month certifying the amount  
9 paid to the Chicago Transit Authority in the previous month  
10 from the proceeds of such tax.

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

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

15 (70 ILCS 3605/12c new)

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

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



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

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

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

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

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

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

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

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

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

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

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

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

1 related Swaps) may be secured, which may include, a pledge of  
2 any revenues or funds of the Authority from whatever source  
3 which may by law be utilized for paying Debt Service. In  
4 addition to any other security, upon the written approval of  
5 the Regional Transportation Authority by the affirmative vote  
6 of 12 of its then Directors, the ordinance shall provide a  
7 specific pledge or assignment of and lien on or security  
8 interest in amounts to be paid to the Authority by the Regional  
9 Transportation Authority from the proceeds of any tax levied by  
10 the Regional Transportation Authority under Section 4.03 of the  
11 Regional Transportation Authority Act and allocated to the  
12 Authority under the provisions of Section 4.03.3 of that Act  
13 and direct payment thereof to the bond trustee for payment of  
14 Debt Service with respect to the bonds or notes, subject to the  
15 provisions of existing lease agreements of the Authority with  
16 any public building commission. The authorizing ordinance may  
17 also provide a specific pledge or assignment of and lien on or  
18 security interest in and direct payment to the trustee of all  
19 or a portion of the moneys otherwise payable to the Authority  
20 from the City of Chicago pursuant to an intergovernmental  
21 agreement with the Authority to provide financial assistance to  
22 the Authority. Any such pledge, assignment, lien or security  
23 interest for the benefit of owners of bonds or notes shall be  
24 valid and binding from the time the bonds or notes are issued,  
25 without any physical delivery or further act, and shall be  
26 valid and binding as against and prior to the claims of all

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

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

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

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

1 of any contract made by the Authority with those owners or to  
2 materially impair the rights and remedies of those owners until  
3 those bonds or notes, together with interest and any redemption  
4 premium, and all costs and expenses in connection with any  
5 action or proceedings by or on behalf of such owners are fully  
6 met and discharged. The Authority is authorized to include  
7 these pledges and agreements of the State of Illinois in any  
8 contract with owners of bonds or notes issued pursuant to this  
9 Section 12c.

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

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



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

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

24 (70 ILCS 3605/15) (from Ch. 111 2/3, par. 315)

25 Sec. 15. The Authority shall have power to apply for and

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

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

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

21 (70 ILCS 3605/28a) (from Ch. 111 2/3, par. 328a)

22 Sec. 28a. (a) The Board may deal with and enter into  
23 written contracts with the employees of the Authority through  
24 accredited representatives of such employees or  
25 representatives of any labor organization authorized to act for

1 such employees, concerning wages, salaries, hours, working  
2 conditions and pension or retirement provisions; provided,  
3 nothing herein shall be construed to permit hours of labor in  
4 excess of those provided by law or to permit working conditions  
5 prohibited by law. In case of dispute over wages, salaries,  
6 hours, working conditions, or pension or retirement provisions  
7 the Board may arbitrate any question or questions and may agree  
8 with such accredited representatives or labor organization  
9 that the decision of a majority of any arbitration board shall  
10 be final, provided each party shall agree in advance to pay  
11 half of the expense of such arbitration.

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

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

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

1 amendatory Act of 1983, employers shall be required to bargain  
2 collectively with regard to any matter concerning wages, hours  
3 or conditions of employment about which they have bargained  
4 prior to the effective date of this amendatory Act of 1983.

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

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

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

1           Sec. 34. Budget and Program. The Authority, subject to the  
2 powers of the Regional Transportation Authority in Section 4.11  
3 of the Regional Transportation Authority Act, shall control the  
4 finances of the Authority. It shall by ordinance appropriate  
5 money to perform the Authority's purposes and provide for  
6 payment of debts and expenses of the Authority. Each year the  
7 Authority shall prepare and publish a comprehensive annual  
8 budget and five-year capital program document, and a financial  
9 plan for the 2 years thereafter describing the state of the  
10 Authority and presenting for the forthcoming fiscal year and  
11 the two following years the Authority's plans for such  
12 operations and capital expenditures as it intends to undertake  
13 and the means by which it intends to finance them. The proposed  
14 budget, ~~and financial plan,~~ and five-year capital program shall  
15 be based on the Regional Transportation Authority's estimate of  
16 funds to be made available to the Authority by or through the  
17 Regional Transportation Authority and shall conform in all  
18 respects to the requirements established by the Regional  
19 Transportation Authority. The proposed ~~program and budget,~~  
20 financial plan, and five-year capital program shall contain a  
21 statement of the funds estimated to be on hand at the beginning  
22 of the fiscal year, the funds estimated to be received from all  
23 sources for such year and the funds estimated to be on hand at  
24 the end of such year. ~~After adoption of the Regional~~  
25 ~~Transportation Authority's first Five Year Program, as~~  
26 ~~provided in Section 2.01 of the Regional Transportation~~

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

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

19 The budget shall:

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

26 (ii) show cash balances including the proceeds of any



1 anticipated cash flow borrowing sufficient to pay with  
2 reasonable promptness all costs and expenses as incurred;

3 (iii) provide for a level of fares or charges and  
4 operating or administrative costs for the public  
5 transportation provided by or subject to the jurisdiction  
6 of the Board sufficient to allow the Board to meet its  
7 required system generated revenue recovery ratio as  
8 determined in accordance with subsection (a) of Section  
9 4.11 of the Regional Transportation Authority Act;

10 (iv) be based upon and employ assumptions and  
11 projections which are reasonable and prudent;

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

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

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

21 The Board shall establish a fiscal operating year. At least  
22 thirty days prior to the beginning of the first full fiscal  
23 year after the creation of the Authority, and annually  
24 thereafter, the Board shall cause to be prepared a tentative  
25 budget which shall include all operation and maintenance  
26 expense for the ensuing fiscal year. The tentative budget shall

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

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

16 (70 ILCS 3605/46) (from Ch. 111 2/3, par. 346)

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

1 impact of its policies and programs on the communities it  
2 serves. Appointments to the citizens advisory board should, to  
3 the greatest extent possible, reflect the ethnic, cultural, and  
4 geographic diversity of all persons residing within the  
5 metropolitan region in which the Authority provides service.

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

7 (70 ILCS 3605/50 new)

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

1 with the maintenance or operation of, or compliance with, any  
2 federally mandated disadvantaged business enterprise program.

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

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

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

20 (70 ILCS 3610/3.1) (from Ch. 111 2/3, par. 353.1)

21 Sec. 3.1. Also in the manner provided in this Act as  
22 amended, a "Local Mass Transit District" may be created with  
23 boundary to enclose a unit area of contiguous land, to be known  
24 as the "participating area". Such a "participating area" may be

1 organized as a district under this Act without regard to  
2 boundaries of counties or other political subdivisions or  
3 municipal corporations.

4 (a) Any 500 or more legal voters who are residents within  
5 such "participating area" may file a petition in the circuit  
6 court of the county where the proposed district or a major part  
7 thereof is located, asking that the question of creating such  
8 district be submitted under this Act by referendum to the  
9 voters residing within the proposed district. By their power of  
10 attorney signed by them and filed in the cause the petitioners  
11 may authorize a committee of their number named by the  
12 petitioners, to conduct and pursue the cause for them to a  
13 conclusion. Such petition shall define the boundaries of the  
14 proposed district, shall indicate distances to nearest mass  
15 transportation lines in each direction, naming them, shall have  
16 attached a fair map of the proposed district, and shall suggest  
17 a name for the proposed district.

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

1 such publication notice to be given as directed.

2 (c) After proof of such newspaper publication of notice has  
3 been made and filed in the cause and shown to the court in full  
4 accord with the prior order, the circuit judge shall hear all  
5 persons who attend and so request, as to location and boundary  
6 and name for the proposed district. After the hearing on such  
7 petition is completed, the circuit court by an order of record,  
8 shall determine and establish the location, name and boundary  
9 for such proposed district, and shall order the proposition  
10 submitted at an election in accordance with the general  
11 election law to the voters resident within such proposed  
12 district. The circuit clerk shall certify the proposition to  
13 the proper election officials who shall submit the proposition  
14 in accordance with the general election law.

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

22 (e) When the vote is in favor of creation of such district,  
23 the circuit court by an order of record shall confirm the  
24 result of election. If the district is wholly contained within  
25 a single county the presiding officer of the county board with  
26 the advice and consent of the county board shall appoint 5

1 trustees, not more than 3 of whom shall be affiliated with the  
2 same political party, to govern the district and serve one each  
3 for 1, 2, 3, 4 and 5 years respectively; upon the expiration of  
4 the term of a trustee who is in office on the effective date of  
5 this amendatory Act of 1989, the successor shall, at the time  
6 of the appointment, and thereafter at all times while serving  
7 as trustee, be a resident of the Mass Transit District for  
8 which such person is appointed as trustee. If a trustee removes  
9 his residence to a place outside of the District, a trustee  
10 shall be appointed in the same manner as herein provided to  
11 take the place of the trustee who so removed his residence. If  
12 however the district is located in more than one county, the  
13 number of trustees who are residents of a county shall be in  
14 proportion, as nearly as practicable, to the number of  
15 residents of the district who reside in that county in relation  
16 to the total population of the district.

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

1 Successors shall serve 5 year overlapping terms.

2       Thereafter, each trustee shall be succeeded by a resident  
3 of the same county who shall be appointed by the same  
4 appointing authority; however, the provisions of the preceding  
5 paragraph shall apply to the appointment of the successor to  
6 each trustee who is in office at the time of the publication of  
7 each decennial Federal census of population.

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

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

21       (h) The circuit court shall require the petitioners to post  
22 a surety bond for the payment of all costs and expenses of such  
23 proceeding and such referendum. When a district is created, the  
24 circuit court shall order the district to pay or reimburse  
25 others for all such costs and expenses. The surety bond shall  
26 not be released until complete receipts for all such costs and



1 expenses have been filed in the cause and fully audited by the  
2 circuit and county clerks.

3 (i) If the District is wholly contained within a single  
4 county, the County Board of such county may, by resolution,  
5 provide that, effective upon the next appointment of a Trustee,  
6 after the effective date of this amendatory Act of 1989, that  
7 the Board of Trustees of such Mass Transit District shall be  
8 comprised of 7 Trustees, with no more than 4 members of the  
9 same political party. This Subsection shall not apply to any  
10 Mass Transit District in the State which receives funding in  
11 whole or in part from the Regional Transportation Authority or  
12 any of its service boards.

13 (j) The Board of a district whose participating area: (i)  
14 is entirely within a single county; and (ii) when created, was  
15 defined by township boundaries may, by an ordinance adopted by  
16 the affirmative vote of two-thirds of the members of the Board,  
17 provide that the participating area of the district be  
18 coterminous and expand with the boundaries of the townships  
19 that originally established the district's participating area.  
20 The Board shall hold at least one public hearing on the  
21 proposed ordinance and shall give notice of any such hearing by  
22 newspaper publication to be made at least 20 days before the  
23 hearing in 2 or more newspapers published or circulated  
24 generally among persons residing in the townships of the  
25 district. If the Board approves an ordinance under this  
26 subsection, the secretary of the district's Board shall file a

1 certified copy of the ordinance with the County Clerk of the  
2 county in which the district is located. A district formed  
3 under this Section and meeting the requirements of this  
4 subsection shall be entitled to make its boundaries coterminous  
5 with the boundaries of the townships regardless of when the  
6 district was formed. If such an ordinance is adopted, the  
7 district's boundaries shall encompass all areas located within  
8 the townships at the time of the adoption of the ordinance and  
9 all areas that become part of the townships at a future date.  
10 Nothing in this subsection shall allow expansion of a district  
11 into an area that is already a part of another local mass  
12 transit district.

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

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

21 (70 ILCS 3615/1.02) (from Ch. 111 2/3, par. 701.02)

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

24 (i) Public transportation is, as provided in Section 7 of

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

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

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

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

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

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

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

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

26 (iii) To meet the urgent needs of the people of the

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

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

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

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

25 (d) ~~(e)~~ It is the purpose of this Act to provide for, aid  
26 and assist public transportation in the northeastern area of

1 the State without impairing the overall quality of existing  
2 public transportation by providing for the creation of a single  
3 authority responsive to the people and elected officials of the  
4 area and with the power and competence to develop, implement,  
5 and enforce plans that promote adequate, efficient, and  
6 coordinated public transportation, provide financial review of  
7 the providers of public transportation in the metropolitan  
8 region and facilitate public transportation provided by  
9 Service Boards which is attractive and economical to users,  
10 comprehensive, coordinated among its various elements,  
11 economical, safe, efficient and coordinated with area and State  
12 plans.

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

14 (70 ILCS 3615/2.01) (from Ch. 111 2/3, par. 702.01)

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

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

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

25 (ii) set goals, objectives, and standards for the

1 Authority, the Service Boards, and transportation  
2 agencies;

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

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

10 (v) provide financial oversight of the Service Boards;  
11 and

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

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

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

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



1 ~~this regard shall be set forth in 2 public documents, the~~  
2 ~~Five Year Program provided for in this Section and an Annual~~  
3 ~~Budget and Program provided for in Section 4.01.~~

4 ~~(c) The Authority shall, in consultation with the Service~~  
5 ~~Boards, each year prepare and, by ordinance, adopt, after~~  
6 ~~public hearings held in each county in the metropolitan region,~~  
7 ~~a Five Year Program to inform the public and government~~  
8 ~~officials of the Authority's objectives and program for~~  
9 ~~operations and capital development during the forthcoming~~  
10 ~~five year period. The Five Year Program shall set forth the~~  
11 ~~standards of service which the public may expect; each Service~~  
12 ~~Board's plans for coordinating routes and service of the~~  
13 ~~various transportation agencies; the anticipated expense of~~  
14 ~~providing public transportation at standards of service then~~  
15 ~~existing and under alternative operating programs; the nature,~~  
16 ~~location and expense of anticipated capital improvements~~  
17 ~~exceeding \$250,000, by specific item and by fiscal year; and~~  
18 ~~such demographic and other data developed by planning and other~~  
19 ~~related agencies, as the Authority shall consider pertinent to~~  
20 ~~the Service Boards' decisions as to levels and nature of~~  
21 ~~service, including without limitation the patterns of~~  
22 ~~population density and growth, projected commercial and~~  
23 ~~residential development, environmental factors and the~~  
24 ~~availability of alternative modes of transportation. The~~  
25 ~~Five Year Program shall be adopted on the affirmative votes of~~  
26 ~~9 of the then Directors.~~

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

2 (70 ILCS 3615/2.01a new)

3 Sec. 2.01a. Strategic Plan.

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

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

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

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

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

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

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

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

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

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

26 (viii) such other goals and objectives that advance the

1 policy of the State to provide adequate, efficient, and  
2 coordinated public transportation in the metropolitan  
3 region.

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

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

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

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

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

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

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

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

1 shall include customer-related performance data measured by  
2 line, route, or sub-region, as determined by the Authority, on  
3 the following:

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

5 (ii) ridership data;

6 (iii) equipment failure rates;

7 (iv) employee and customer safety; and

8 (v) customer satisfaction.

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

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

25 (f) The Strategic Plan shall describe the expected  
26 financial condition of public transportation in the

1 metropolitan region prospectively over a 10-year period, which  
2 may include information about the cash position and all known  
3 obligations of the Authority and the Service Boards including  
4 operating expenditures, debt service, contributions for  
5 payment of pension and other post-employment benefits, the  
6 expected revenues from fares, tax receipts, grants from the  
7 federal, State, and local governments for operating and capital  
8 purposes and issuance of debt, the availability of working  
9 capital, and the resources needed to achieve the goals and  
10 objectives described in the Strategic Plan.

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

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

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

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

1 date of this amendatory Act of the 95th General Assembly;  
2 however, any expenditure related to any such public  
3 transportation service or facility must be included in a  
4 Five-Year Capital Program under the requirements of Sections  
5 2.01b and 4.02 this Act.

6 (70 ILCS 3615/2.01b new)

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



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

12 (70 ILCS 3615/2.01c new)

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

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

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

11 (b) Any grantee that receives funds from the Innovation,  
12 Coordination, and Enhancement Fund for the operation of  
13 eligible programs must (i) implement such programs within one  
14 year of receipt of such funds and (ii) within 2 years following  
15 commencement of any program utilizing such funds, determine  
16 whether it is desirable to continue the program, and upon such  
17 a determination, either incorporate such program into its  
18 annual operating budget and capital program or discontinue such  
19 program. No additional funds from the Innovation,  
20 Coordination, and Enhancement Fund may be distributed to a  
21 grantee for any individual program beyond 2 years unless the  
22 Authority by the affirmative vote of at least 12 of its then  
23 Directors waives this limitation. Any such waiver will be with  
24 regard to an individual program and with regard to a one  
25 year-period, and any further waivers for such individual  
26 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

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

3 (70 ILCS 3615/2.01e new)

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

23 (70 ILCS 3615/2.04) (from Ch. 111 2/3, par. 702.04)

24 Sec. 2.04. Fares and Nature of Service.

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

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

1 such agencies provide for half fare transportation to their  
2 student riders.

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

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

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

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

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

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

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

1 the transportation agency with regard to such facilities or  
2 property or public transportation operations of such agency.

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

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

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

18 (70 ILCS 3615/2.09) (from Ch. 111 2/3, par. 702.09)

19 Sec. 2.09. Research and Development.

20 (a) The Authority and the Service Boards shall study public  
21 transportation problems and developments; encourage  
22 experimentation in developing new public transportation  
23 technology, financing methods, and management procedures;  
24 conduct, in cooperation with other public and private agencies,  
25 studies and demonstration and development projects to test and



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

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

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

10 (c) The Suburban Bus Division and the Authority shall  
11 cooperate in the development, funding, and operation of  
12 programs to enhance access to job markets for residents in  
13 southeast suburban Cook County.

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

15 (70 ILCS 3615/2.12) (from Ch. 111 2/3, par. 702.12)

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

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

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

8 (70 ILCS 3615/2.12b new)

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

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

12 (70 ILCS 3615/2.14) (from Ch. 111 2/3, par. 702.14)

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

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

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

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

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

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

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

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

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

17 (70 ILCS 3615/2.30)

18 Sec. 2.30. Paratransit services.

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

1 of their trips, for such services under the Americans with  
2 Disabilities Act of 1990 and its implementing regulations.

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

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

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

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

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

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

25 (4) provide that service contracts and rates, entered  
26 into or set after the approval by the Federal Transit



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

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

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

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

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

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

26 (10) provide for consideration of innovative methods

1 to provide and fund ADA paratransit services; and

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

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

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

26 (f) By no later than April 1, 2007, the Authority shall

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

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

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

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

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

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

1 the number of their respective employees and the number of  
2 their respective employees who have designated themselves as  
3 members 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 their  
6 disadvantaged business enterprise contracting programs, the  
7 Authority and each Service Board shall submit a report with  
8 respect to such program to the General Assembly. In addition,  
9 each year no later than October 1, the Authority and each  
10 Service Board shall submit a copy of its federally mandated  
11 semi-annual Uniform Report of Disadvantaged Business  
12 Enterprises Awards or Commitments and Payments to the General  
13 Assembly.

14 (70 ILCS 3615/3.01) (from Ch. 111 2/3, par. 703.01)

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

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

1 Chicago, with the advice and consent of the City Council of the  
2 City of Chicago, shall appoint a fifth Director who shall not  
3 be the chairman or director of the Chicago Transit Authority.

4 Each such Director shall reside in the City of Chicago ~~except~~  
5 ~~the 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 a majority of the  
16 members of the Cook County Board elected from districts, a  
17 majority of the electors of which reside outside Chicago. In  
18 ~~either case, such appointment shall be with the concurrence of~~  
19 ~~four such Commissioners.~~ Each ~~such~~ Director appointed under  
20 this subparagraph shall reside in that part of Cook County  
21 outside Chicago.

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

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

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

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

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

14 (i) One Director appointed jointly by the Chairmen of  
15 the Kane County Board and the McHenry County Board. Such  
16 Director shall reside in Kane County or McHenry County.

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

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

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

1           (v) One Director appointed jointly, for a term of 3  
2           years, by the Chairman of the DuPage County Board, the  
3           Chairman of the Lake County Board, and the County Executive  
4           of the Will County Board.

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

15           (e) ~~The Before January 1, 1987, for the term expiring July~~  
16           ~~1, 1989, the Chairman shall be appointed by the Governor.~~  
17           ~~Thereafter the Chairman shall be appointed by the other 12~~  
18           Directors by the affirmative votes of at least 9 of the then  
19           ~~with the concurrence of three fourths of such~~ Directors. Upon  
20           the expiration or vacancy of the term of the Chairman then  
21           serving upon the effective date of this amendatory Act of the  
22           95th General Assembly, the Chairman shall be appointed by the  
23           other Directors, by the affirmative vote of at least 11 of the  
24           then Directors. The chairman shall not be appointed from among  
25           the other Directors. The chairman shall be a resident of the  
26           metropolitan region.



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

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

19 (h) (Blank). ~~The Board of Directors shall be so appointed~~  
20 ~~as to represent the City of Chicago, that part of Cook County~~  
21 ~~outside the City of Chicago, and that part of the metropolitan~~  
22 ~~region outside Cook County on the one man one vote basis. After~~  
23 ~~each Federal decennial census the General Assembly shall review~~  
24 ~~the composition of the Board and, if a change is needed to~~  
25 ~~comply with this requirement, shall provide for the necessary~~  
26 ~~revision by July 1 of the third year after such census.~~

1 ~~Provided, however, that the Chairman of the Chicago Transit~~  
2 ~~Authority shall be a Director of the Authority and shall be~~  
3 ~~considered as representing the City of Chicago for purposes of~~  
4 ~~this paragraph.~~

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

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

11 (70 ILCS 3615/3.03) (from Ch. 111 2/3, par. 703.03)

12 Sec. 3.03. Terms, vacancies. Each Director, ~~including the~~  
13 ~~Chairman, shall be appointed for an initial term as provided~~  
14 ~~for in Section 3.10 of this Act. Thereafter, each Director~~  
15 shall hold office for a term of 5 years, and until his  
16 successor has been appointed and has qualified, except the  
17 Director appointed under Section 3.01(d)(v) shall hold office  
18 for a term of 3 years, and until his successor has been  
19 appointed and has qualified. A vacancy shall occur upon  
20 resignation, death, conviction of a felony, or removal from  
21 office of a Director. Any Director may be removed from office  
22 upon concurrence of not less than 11 ~~9~~ Directors, on a formal  
23 finding of incompetence, neglect of duty, or malfeasance in  
24 office. Within 30 days after the office of any member becomes  
25 vacant for any reason, the appointing authorities of such

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7 The budget shall:

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

1 Authority for its approval in like manner.

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

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

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

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

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

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

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

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

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

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

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

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

25 (2) One Director shall be appointed by the Chairman of  
26 the McHenry County Board. Such director shall reside in

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

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

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

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

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

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

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

6 (i) One Director who resides in Cook County outside  
7 of the City of Chicago, appointed by the President of  
8 the Cook County Board with the advice and consent of a  
9 majority of the members of the Cook County Board  
10 elected from districts, a majority of the electors of  
11 which reside outside Chicago.

12 (ii) One Director who resides in Cook County,  
13 outside of the City of Chicago and north of Devon  
14 Avenue. To implement the changes in appointing  
15 authority under this Section, upon the expiration of  
16 the term of or vacancy in office of the Director  
17 appointed under paragraph (3) of subsection (a) of this  
18 Section who resides in the geographic area described in  
19 this subparagraph, a Director shall be appointed under  
20 this subparagraph.

21 (iii) One Director who resides in Cook County,  
22 outside of the City of Chicago, south of Devon Avenue,  
23 and north of Interstate 55, and in addition the Village  
24 of Summit.

25 (iv) One Director who resides in Cook County,  
26 outside of the City of Chicago, south of Interstate 55,

1           and west of Interstate 57, excluding the communities of  
2           Summit, Dixmoor, Posen, Robbins, Midlothian, and Oak  
3           Forest. To implement the changes in appointing  
4           authority under this Section, upon the expiration of  
5           the term of or vacancy in office of the Director  
6           appointed under paragraph (3) of subsection (a) of this  
7           Section who resides in the geographic area described in  
8           this subparagraph and whose term of office had not  
9           expired as of August 1, 2007, a Director shall be  
10           appointed under this subparagraph.

11           (v) One Director who resides in Cook County,  
12           outside of the City of Chicago, east of Interstate 57,  
13           and, in addition, the communities of Dixmoor, Posen,  
14           Robbins, Midlothian and Oak Forest. To implement the  
15           changes in appointing authority under this Section,  
16           upon the expiration of the term of or vacancy in office  
17           of the Director appointed under paragraph (3) of  
18           subsection (a) of this Section who resides in the  
19           geographic area described in this subparagraph and  
20           whose term of office had expired as of August 1, 2007,  
21           a Director shall be appointed under this subparagraph.

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

1           the City of Chicago. Each individual Director shall be  
2           appointed by those members of the Cook County Board  
3           whose Board districts overlap in whole or in part with  
4           the geographic territory described in the relevant  
5           subparagraph. The vote of County Board members  
6           eligible to appoint directors under the provisions of  
7           this paragraph (7) shall be weighted by the number of  
8           electors residing in those portions of their Board  
9           districts within the geographic territory described in  
10           the relevant subparagraph (ii) through (v) of this  
11           paragraph (7).

12           (8) The chairman shall be appointed by the directors,  
13           from the members of the board, with the concurrence of 7 of  
14           such directors. To implement the changes in appointing  
15           authority under this Section, upon the expiration of the  
16           term of or vacancy in office of the Chairman appointed  
17           under item (5) of subsection (a) of this Section, a  
18           Chairman shall be appointed under this subparagraph.

19           (c) No director, while serving as such, shall be an  
20           officer, a member of the board of directors or trustee or an  
21           employee of any transportation agency, or be an employee of the  
22           State of Illinois or any department or agency thereof, or of  
23           any unit of local government or receive any compensation from  
24           any elected or appointed office under the Constitution and laws  
25           of Illinois.

26           (d) Each appointment made under subsections (a) and (b) of



1 this Section ~~paragraphs (a) through (d)~~ and under Section 3B.03  
2 shall be certified by the appointing authority to the Commuter  
3 Rail Board which shall maintain the certifications as part of  
4 the official records of the Commuter Rail Board; ~~provided that~~  
5 ~~the initial appointments shall be certified to the Secretary of~~  
6 ~~State, who shall transmit the certifications to the Commuter~~  
7 ~~Rail Board following its organization.~~

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

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

1 (70 ILCS 3615/3B.03) (from Ch. 111 2/3, par. 703B.03)

2 Sec. 3B.03. Terms, Vacancies. Each ~~The initial term of the~~  
3 ~~director appointed pursuant to subdivision (a) of Section 3B.02~~  
4 ~~and the initial term of one of the directors appointed pursuant~~  
5 ~~to subdivision (b) of Section 3B.02 shall expire on June 30,~~  
6 ~~1985; the initial term of one of the directors appointed~~  
7 ~~pursuant to subdivision (b) of Section 3B.02 and the initial~~  
8 ~~term of one of the directors appointed pursuant to subdivision~~  
9 ~~(c) of Section 3B.02 shall expire on June 30, 1986; the initial~~  
10 ~~terms of two of the directors appointed pursuant to subdivision~~  
11 ~~(c) of Section 3B.02 shall expire on June 30, 1987; the initial~~  
12 ~~term of the director appointed pursuant to subdivision (d) of~~  
13 ~~Section 3B.02 shall expire on June 30, 1988. Thereafter, each~~  
14 director shall be appointed for a term of 4 years, and until  
15 his successor has been appointed and qualified. A vacancy shall  
16 occur upon the resignation, death, conviction of a felony, or  
17 removal from office of a director. Any director may be removed  
18 from office upon the concurrence of not less than 6 directors,  
19 on a formal finding of incompetence, neglect of duty, or  
20 malfeasance in office. Within 30 days after the office of any  
21 director becomes vacant for any reason, the appropriate  
22 appointing authorities of such director, as provided in Section  
23 3B.02, shall make an appointment to fill the vacancy. A vacancy  
24 shall be filled for the unexpired term.

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

1 (70 ILCS 3615/3B.05) (from Ch. 111 2/3, par. 703B.05)

2 Sec. 3B.05. Appointment of officers and employees. The  
3 Commuter Rail Board shall appoint an Executive Director who  
4 shall be the chief executive officer of the Division,  
5 appointed, retained or dismissed with the concurrence of 7 ~~6~~ of  
6 the directors of the Commuter Rail Board. The Executive  
7 Director shall appoint, retain and employ officers, attorneys,  
8 agents, engineers, employees and shall organize the staff,  
9 shall allocate their functions and duties, fix compensation and  
10 conditions of employment, and consistent with the policies of  
11 and direction from the Commuter Rail Board take all actions  
12 necessary to achieve its purposes, fulfill its  
13 responsibilities and carry out its powers, and shall have such  
14 other powers and responsibilities as the Commuter Rail Board  
15 shall determine. The Executive Director shall be an individual  
16 of proven transportation and management skills and may not be a  
17 member of the Commuter Rail Board. The Division may employ its  
18 own professional management personnel to provide professional  
19 and technical expertise concerning its purposes and powers and  
20 to assist it in assessing the performance of transportation  
21 agencies in the metropolitan region.

22 No unlawful discrimination, as defined and prohibited in  
23 the Illinois Human Rights Act, shall be made in any term or  
24 aspect of employment nor shall there be discrimination based  
25 upon political reasons or factors. The Commuter Rail Board

1 shall establish regulations to insure that its discharges shall  
2 not be arbitrary and that hiring and promotion are based on  
3 merit.

4 The Division shall be subject to the "Illinois Human Rights  
5 Act", as now or hereafter amended, and the remedies and  
6 procedure established thereunder. The Commuter Rail Board  
7 shall file an affirmative action program for employment by it  
8 with the Department of Human Rights to ensure that applicants  
9 are employed and that employees are treated during employment,  
10 without regard to unlawful discrimination. Such affirmative  
11 action program shall include provisions relating to hiring,  
12 upgrading, demotion, transfer, recruitment, recruitment  
13 advertising, selection for training and rates of pay or other  
14 forms of compensation.

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

16 (70 ILCS 3615/3B.07) (from Ch. 111 2/3, par. 703B.07)

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

1           A majority of the members shall constitute a quorum for the  
2           conduct of business. The affirmative votes of at least a  
3           majority of the 4 members shall be necessary for any action  
4           required by this Act to be taken by ordinance.

5           (Source: P.A. 83-886.)

6           (70 ILCS 3615/3B.09) (from Ch. 111 2/3, par. 703B.09)

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

12          (a) to cooperate with the Regional Transportation  
13          Authority in the exercise by the Regional Transportation  
14          Authority of all the powers granted it by such Act;

15          (b) to receive funds from the Regional Transportation  
16          Authority pursuant to Sections 2.02, 4.01, 4.02, 4.09 and 4.10  
17          of the "Regional Transportation Authority Act", all as provided  
18          in the "Regional Transportation Authority Act"; ~~and~~

19          (c) to receive financial grants from the Regional  
20          Transportation Authority or a Service Board, as defined in the  
21          "Regional Transportation Authority Act", upon such terms and  
22          conditions as shall be set forth in a grant contract between  
23          either the Division and the Regional Transportation Authority  
24          or the Division and another Service Board, which contract or  
25          agreement may be for such number of years or duration as the

1 parties may agree, all as provided in the "Regional  
2 Transportation Authority Act"; ~~and-~~

3 (d) to borrow money for the purpose of acquiring,  
4 constructing, reconstructing, extending, or improving any  
5 Public Transportation Facilities (as defined in Section 1.03 of  
6 the Regional Transportation Authority Act) operated by or to be  
7 operated by or on behalf of the Commuter Rail Division. For the  
8 purpose of evidencing the obligation of the Commuter Rail Board  
9 to repay any money borrowed as provided in this subsection, the  
10 Commuter Rail Board may issue revenue bonds from time to time  
11 pursuant to ordinance adopted by the Commuter Rail Board,  
12 subject to the approval of the Regional Transportation  
13 Authority of each such issuance by the affirmative vote of 12  
14 of its then Directors; provided that the Commuter Rail Board  
15 may not issue bonds for the purpose of financing the  
16 acquisition, construction, or improvement of a corporate  
17 headquarters building. All such bonds shall be payable solely  
18 from the revenues or income or any other funds that the  
19 Commuter Rail Board may receive, provided that the Commuter  
20 Rail Board may not pledge as security for such bonds the  
21 moneys, if any, that the Commuter Rail Board receives from the  
22 Regional Transportation Authority pursuant to Section  
23 4.03.3(f) of the Regional Transportation Authority Act. The  
24 bonds shall bear interest at a rate not to exceed the maximum  
25 rate authorized by the Bond Authorization Act and shall mature  
26 at such time or times not exceeding 30 years from their

1 respective dates, provided that the bonds shall have  
2 approximately equal debt service payments in each year, with  
3 the first principal or mandatory redemption payment being no  
4 later than the fiscal year after their initial issuance. The  
5 maximum principal amount of the bonds that may be issued and  
6 outstanding at any time may not exceed \$1,000,000,000. The  
7 bonds shall have all the qualities of negotiable instruments  
8 under the laws of this State. To secure the payment of any or  
9 all of such bonds and for the purpose of setting forth the  
10 covenants and undertakings of the Commuter Rail Board in  
11 connection with the issuance thereof and the issuance of any  
12 additional bonds payable from such revenue or income as well as  
13 the use and application of the revenue or income received by  
14 the Commuter Rail Board, the Commuter Rail Board may execute  
15 and deliver a trust agreement or agreements; provided that no  
16 lien upon any physical property of the Commuter Rail Board  
17 shall be created thereby. A remedy for any breach or default of  
18 the terms of any such trust agreement by the Commuter Rail  
19 Board may be by mandamus proceedings in any court of competent  
20 jurisdiction to compel performance and compliance therewith,  
21 but the trust agreement may prescribe by whom or on whose  
22 behalf such action may be instituted. Under no circumstances  
23 shall any bonds issued by the Commuter Rail Board or any other  
24 obligation of the Commuter Rail Board in connection with the  
25 issuance of such bonds be or become an indebtedness or  
26 obligation of the State of Illinois, the Regional

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

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

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

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



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

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

22 The budget shall:

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

1 provision for payment when due of principal and interest on  
2 outstanding indebtedness;

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

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

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

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

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

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

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

22 (70 ILCS 3615/3B.11) (from Ch. 111 2/3, par. 703B.11)

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

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

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

13 (70 ILCS 3615/3B.12) (from Ch. 111 2/3, par. 703B.12)

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

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

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

2 Sec. 3B.13. Labor. (a) The provisions of this Section apply  
3 to collective bargaining agreements (including extensions and  
4 amendments of existing agreements) entered into on or after  
5 January 1, 1984. This Section does not apply to collective  
6 bargaining agreements that are subject to the provisions of the  
7 Railway Labor Act, as now or hereafter amended.

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

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

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

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

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

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

5 (70 ILCS 3615/4.01) (from Ch. 111 2/3, par. 704.01)

6 Sec. 4.01. Budget and Program.

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

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



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

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

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

10           (i) that the level of fares and charges for mass  
11 transportation provided by, or under grant or purchase of  
12 service contracts of, the Service Boards is sufficient to  
13 cause the aggregate of all projected fare revenues from  
14 such fares and charges received in each fiscal year to  
15 equal at least 50% of the aggregate costs of providing such  
16 public transportation in such fiscal year. "Fare revenues"  
17 include the proceeds of all fares and charges for services  
18 provided, contributions received in connection with public  
19 transportation from units of local government other than  
20 the Authority, except for contributions received by the  
21 Chicago Transit Authority from a real estate transfer tax  
22 imposed under subsection (i) of Section 8-3-19 of the  
23 Illinois Municipal Code, and from the State pursuant to  
24 subsection (i) of Section 2705-305 of the Department of  
25 Transportation Law (20 ILCS 2705/2705-305), and all other  
26 operating revenues properly included consistent with

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

1       of Debt Service, as defined in Section 12c of the  
2       Metropolitan Transit Authority Act, on bonds or notes  
3       issued pursuant to that Section; the payment by the  
4       Commuter Rail Division of debt service on bonds issued  
5       pursuant to Section 3B.09; expenses incurred by the  
6       Suburban Bus Division for the cost of new public  
7       transportation services funded from grants pursuant to  
8       Section 2.01e of this amendatory Act of the 95th General  
9       Assembly for a period of 2 years from the date of  
10       initiation of each such service; costs as exempted by the  
11       Board for projects pursuant to Section 2.09 of this Act;  
12       or, beginning with the 2007 fiscal year, expenses related  
13       to providing ADA paratransit service pursuant to Section  
14       2.30 of the Regional Transportation Authority Act; and in  
15       fiscal years 2008 through 2017 inclusive, costs in the  
16       amount of \$200,000,000 in fiscal year 2008, reducing by  
17       \$20,000,000 in each fiscal year thereafter until this  
18       exemption is eliminated; and

19       (ii) that the level of fares charged for ADA  
20       paratransit services is sufficient to cause the aggregate  
21       of all projected revenues from such fares charged and  
22       received in each fiscal year to equal at least 10% of the  
23       aggregate costs of providing such ADA paratransit services  
24       in fiscal years 2007 and 2008 and at least 12% of the  
25       aggregate costs of providing such ADA paratransit services  
26       in fiscal years 2009 and thereafter; for purposes of this

1 Act, the percentages in this subsection (b)(ii) shall be  
2 referred to as the "system generated ADA paratransit  
3 services revenue recovery ratio".

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

22 (d) This subsection applies only until the Department  
23 begins administering and enforcing an increased tax under  
24 Section 4.03(m) as authorized by this amendatory Act of the  
25 95th General Assembly. After withholding 15% of the proceeds of  
26 any tax imposed by the Authority and 15% of money received by

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

23 (e) This subsection applies only until the Department  
24 begins administering and enforcing an increased tax under  
25 Section 4.03(m) as authorized by this amendatory Act of the  
26 95th General Assembly. Moneys received by the Authority on

1 account of transfers to the Regional Transportation Authority  
2 Occupation and Use Tax Replacement Fund from the State and  
3 Local Sales Tax Reform Fund shall be allocated among the  
4 Authority and the Service Boards as follows: 15% of such moneys  
5 shall be retained by the Authority and the remaining 85% shall  
6 be transferred to the Service Boards as soon as may be  
7 practicable after the Authority receives payment. Moneys which  
8 are distributable to the Service Boards pursuant to the  
9 preceding sentence shall be allocated among the Service Boards  
10 on the basis of each Service Board's distribution ratio. The  
11 term "distribution ratio" means, for purposes of this  
12 subsection (e) of this Section 4.01, the ratio of the total  
13 amount distributed to a Service Board pursuant to subsection  
14 (d) of Section 4.01 for the immediately preceding calendar year  
15 to the total amount distributed to all of the Service Boards  
16 pursuant to subsection (d) of Section 4.01 for the immediately  
17 preceding calendar year.

18 (f) To carry out its duties and responsibilities under this  
19 Act, further and accomplish the preparation of the annual  
20 budget and program as well as the Five-Year Program provided  
21 for in Section 2.01 of this Act and to make such interim  
22 management decisions as may be necessary, the Board shall  
23 employ staff which shall: (1) propose for adoption by the Board  
24 of the Authority rules for the Service Boards that establish  
25 (i) forms and schedules to be used and information required to  
26 be provided with respect to a five-year capital program, annual

1 budgets, and two-year financial plans and regular reporting of  
2 actual results against adopted budgets and financial plans,  
3 (ii) financial practices to be followed in the budgeting and  
4 expenditure of public funds, (iii) assumptions and projections  
5 that must be followed in preparing and submitting its annual  
6 budget and two-year financial plan or a five-year capital  
7 program; (2) evaluate for the Board public transportation  
8 programs operated or proposed by the Service Boards and  
9 transportation agencies in terms of the goals and objectives  
10 set out in the Strategic Plan , ~~costs and relative priorities;~~  
11 (3) ~~(2)~~ keep the Board and the public informed of the extent to  
12 which the Service Boards and transportation agencies are  
13 meeting the goals and objectives adopted by the Authority in  
14 the Strategic Plan ~~public transportation programs and~~  
15 ~~accomplishments of such transportation agencies;~~ and (4)  
16 assess the efficiency or adequacy of public transportation  
17 services provided by a Service Board and make recommendations  
18 for change in that service ~~(3) coordinate the development and~~  
19 ~~implementation of public transportation programs~~ to the end  
20 that the moneys ~~monies~~ available to the Authority may be  
21 expended in the most economical manner possible with the least  
22 possible duplication.

23 (g) All ~~Under such regulations as the Board may prescribe,~~  
24 ~~all~~ Service Boards, transportation agencies, comprehensive  
25 planning agencies, including the Chicago Metropolitan Agency  
26 for Planning, or transportation planning agencies in the



1 metropolitan region shall furnish to the Authority ~~Board~~ such  
2 information pertaining to public transportation or relevant  
3 for plans therefor as it may from time to time require. The  
4 Executive Director, or his or her designee, upon payment to any  
5 such agency or Service Board of the reasonable additional cost  
6 of its so providing such information except as may otherwise be  
7 provided by agreement with the Authority, and the Board or any  
8 duly authorized employee of the Board shall, for the purpose of  
9 securing any such information necessary or appropriate to carry  
10 out any of the powers and responsibilities of the Authority  
11 under this Act, have access to, and the right to examine, all  
12 books, documents, papers or records of a Service Board or any  
13 transportation such agency receiving funds from the Authority  
14 or Service Board, and such Service Board or transportation  
15 agency shall comply with any request by the Executive Director,  
16 or his or her designee, within 30 days or an extended time  
17 provided by the Executive Director ~~pertaining to public~~  
18 ~~transportation or relevant for plans therefor.~~

19 (h) No Service Board shall undertake any capital  
20 improvement which is not identified in the Five-Year Capital  
21 Program.

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

23 (70 ILCS 3615/4.02) (from Ch. 111 2/3, par. 704.02)

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

25 (a) The Authority shall have the power to apply for,

1 receive and expend grants, loans or other funds from the State  
2 of Illinois or any department or agency thereof, from any unit  
3 of local government, from the federal government or any  
4 department or agency thereof, for use in connection with any of  
5 the powers or purposes of the Authority as set forth in this  
6 Act. The Authority shall have power to make such studies as may  
7 be necessary and to enter into contracts or agreements with the  
8 State of Illinois or any department or agency thereof, with any  
9 unit of local government, or with the federal government or any  
10 department or agency thereof, concerning such grants, loans or  
11 other funds, or any conditions relating thereto, including  
12 obligations to repay such funds. The Authority may make such  
13 covenants concerning such grants, loans and funds as it deems  
14 proper and necessary in carrying out its responsibilities,  
15 purposes and powers as provided in this Act.

16 (b) The Authority shall be the primary public body in the  
17 metropolitan region with authority to apply for and receive any  
18 grants, loans or other funds relating to public transportation  
19 programs from the State of Illinois or any department or agency  
20 thereof, or from the federal government or any department or  
21 agency thereof. Any unit of local government, Service Board or  
22 transportation agency may apply for and receive any such  
23 federal or state capital grants, loans or other funds,  
24 provided, however that a Service Board may not apply for or  
25 receive any grant or loan which is not identified in the  
26 Five-Year Capital Program. Any Service Board, unit of local

1 government or transportation agency shall notify the Authority  
2 prior to making any such application and shall file a copy  
3 thereof with the Authority. Nothing in this Section shall be  
4 construed to impose any limitation on the ability of the State  
5 of Illinois or any department or agency thereof, any unit of  
6 local government or Service Board or transportation agency to  
7 make any grants or to enter into any agreement or contract with  
8 the National Rail Passenger Corporation. Nor shall anything in  
9 this Section impose any limitation on the ability of any school  
10 district to apply for or receive any grant, loan or other funds  
11 for transportation of school children.

12 (c) The Authority shall provide to the Service Board any  
13 monies received relating to public transportation services  
14 under the jurisdiction of the Service Boards as provided in  
15 Section 4.03.3 of this Act. follows:

16 ~~(1) As soon as may be practicable after the Authority~~  
17 ~~receives payment, under Section 4.03(m) or Section~~  
18 ~~4.03.1(d), of the proceeds of those taxes levied by the~~  
19 ~~Authority, the Authority shall transfer to each Service~~  
20 ~~Board the amount to which it is entitled under Section~~  
21 ~~4.01(d);~~

22 ~~(2) The Authority by ordinance adopted by 9 of its then~~  
23 ~~Directors shall establish a formula apportioning any~~  
24 ~~federal funds for operating assistance purposes the~~  
25 ~~Authority receives to each Service Board. In establishing~~  
26 ~~the formula, the Board shall consider, among other factors:~~

1 ~~ridership levels, the efficiency with which the service is~~  
2 ~~provided, the degree of transit dependence of the area~~  
3 ~~served and the cost of service. That portion of any federal~~  
4 ~~funds for operating assistance received by the Authority~~  
5 ~~shall be paid to each Service Board as soon as may be~~  
6 ~~practicable upon their receipt provided the Authority has~~  
7 ~~adopted a balanced budget as required by Section 4.01 and~~  
8 ~~further provided that the Service Boards are in compliance~~  
9 ~~with the requirements in Section 4.11.~~

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

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

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

24 (70 ILCS 3615/4.02a)

25 Sec. 4.02a. Chicago Transit Authority contributions to

1 pension funds.

2 (a) The Authority shall continually review the Chicago  
3 Transit Authority's payment of the required contributions to  
4 its retirement system under Section 22-101 of the Illinois  
5 Pension Code.

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

19 (c) Whenever the Authority acts or determines that it is  
20 required to act under subsection (b), it shall so notify the  
21 Chicago Transit Authority, the Mayor of Chicago, the Governor,  
22 the Auditor General of the State of Illinois, and the General  
23 Assembly.

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

25 (70 ILCS 3615/4.02b)

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

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

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

17           (c) Whenever the Authority acts or determines that it is  
18 required to act under subsection (b), it shall so notify the  
19 affected Service Board, the Mayor of Chicago, the Governor, the  
20 Auditor General of the State of Illinois, and the General  
21 Assembly.

22           (d) Beginning January 1, 2009, if the Authority fails to  
23 pay to an affected pension fund within 30 days after it is due  
24 any employer contribution that it is required to make as a  
25 contributing employer under Section 22-103 of the Illinois  
26 Pension Code, it shall promptly so notify the Commission on

1 Government Forecasting and Accountability, the Mayor of  
2 Chicago, the Governor, and the General Assembly, and it shall  
3 promptly pay the overdue amount out of the first money  
4 available to the Authority for its administrative expenses, as  
5 that term is defined in Section 4.01(c).

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

7 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

8 Sec. 4.03. Taxes.

9 (a) In order to carry out any of the powers or purposes of  
10 the Authority, the Board may by ordinance adopted with the  
11 concurrence of 12 ~~9~~ of the then Directors, impose throughout  
12 the metropolitan region any or all of the taxes provided in  
13 this Section. Except as otherwise provided in this Act, taxes  
14 imposed under this Section and civil penalties imposed incident  
15 thereto shall be collected and enforced by the State Department  
16 of Revenue. The Department shall have the power to administer  
17 and enforce the taxes and to determine all rights for refunds  
18 for erroneous payments of the taxes.

19 (b) The Board may impose a public transportation tax upon  
20 all persons engaged in the metropolitan region in the business  
21 of selling at retail motor fuel for operation of motor vehicles  
22 upon public highways. The tax shall be at a rate not to exceed  
23 5% of the gross receipts from the sales of motor fuel in the  
24 course of the business. As used in this Act, the term "motor  
25 fuel" shall have the same meaning as in the Motor Fuel Tax Law.

1 The Board may provide for details of the tax. The provisions of  
2 any tax shall conform, as closely as may be practicable, to the  
3 provisions of the Municipal Retailers Occupation Tax Act,  
4 including without limitation, conformity to penalties with  
5 respect to the tax imposed and as to the powers of the State  
6 Department of Revenue to promulgate and enforce rules and  
7 regulations relating to the administration and enforcement of  
8 the provisions of the tax imposed, except that reference in the  
9 Act to any municipality shall refer to the Authority and the  
10 tax shall be imposed only with regard to receipts from sales of  
11 motor fuel in the metropolitan region, at rates as limited by  
12 this Section.

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

20 (d) The Board may impose a motor vehicle parking tax upon  
21 the privilege of parking motor vehicles at off-street parking  
22 facilities in the metropolitan region at which a fee is  
23 charged, and may provide for reasonable classifications in and  
24 exemptions to the tax, for administration and enforcement  
25 thereof and for civil penalties and refunds thereunder and may  
26 provide criminal penalties thereunder, the maximum penalties



1 not to exceed the maximum criminal penalties provided in the  
2 Retailers' Occupation Tax Act. The Authority may collect and  
3 enforce the tax itself or by contract with any unit of local  
4 government. The State Department of Revenue shall have no  
5 responsibility for the collection and enforcement unless the  
6 Department agrees with the Authority to undertake the  
7 collection and enforcement. As used in this paragraph, the term  
8 "parking facility" means a parking area or structure having  
9 parking spaces for more than 2 vehicles at which motor vehicles  
10 are permitted to park in return for an hourly, daily, or other  
11 periodic fee, whether publicly or privately owned, but does not  
12 include parking spaces on a public street, the use of which is  
13 regulated by parking meters.

14 (e) The Board may impose a Regional Transportation  
15 Authority Retailers' Occupation Tax upon all persons engaged in  
16 the business of selling tangible personal property at retail in  
17 the metropolitan region. In Cook County the tax rate shall be  
18 1.25% ~~1%~~ of the gross receipts from sales of food for human  
19 consumption that is to be consumed off the premises where it is  
20 sold (other than alcoholic beverages, soft drinks and food that  
21 has been prepared for immediate consumption) and prescription  
22 and nonprescription medicines, drugs, medical appliances and  
23 insulin, urine testing materials, syringes and needles used by  
24 diabetics, and 1% 3/4% of the gross receipts from other taxable  
25 sales made in the course of that business. In DuPage, Kane,  
26 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%

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

24 Persons subject to any tax imposed under the authority  
25 granted in this Section may reimburse themselves for their  
26 seller's tax liability hereunder by separately stating the tax

1 as an additional charge, which charge may be stated in  
2 combination in a single amount with State taxes that sellers  
3 are required to collect under the Use Tax Act, under any  
4 bracket schedules the Department may prescribe.

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

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

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

24 No tax shall be imposed or collected under this subsection  
25 on the sale of a motor vehicle in this State to a resident of  
26 another state if that motor vehicle will not be titled in this

1 State.

2 Nothing in this Section shall be construed to authorize the  
3 Regional Transportation Authority to impose a tax upon the  
4 privilege of engaging in any business that under the  
5 Constitution of the United States may not be made the subject  
6 of taxation by this State.

7 (f) If a tax has been imposed under paragraph (e), a  
8 Regional Transportation Authority Service Occupation Tax shall  
9 also be imposed upon all persons engaged, in the metropolitan  
10 region in the business of making sales of service, who as an  
11 incident to making the sales of service, transfer tangible  
12 personal property within the metropolitan region, either in the  
13 form of tangible personal property or in the form of real  
14 estate as an incident to a sale of service. In Cook County, the  
15 tax rate shall be: (1) 1.25% ~~1%~~ of the serviceman's cost price  
16 of food prepared for immediate consumption and transferred  
17 incident to a sale of service subject to the service occupation  
18 tax by an entity licensed under the Hospital Licensing Act or  
19 the Nursing Home Care Act that is located in the metropolitan  
20 region; (2) 1.25% ~~1%~~ of the selling price of food for human  
21 consumption that is to be consumed off the premises where it is  
22 sold (other than alcoholic beverages, soft drinks and food that  
23 has been prepared for immediate consumption) and prescription  
24 and nonprescription medicines, drugs, medical appliances and  
25 insulin, urine testing materials, syringes and needles used by  
26 diabetics; and (3) 1% ~~3/4%~~ of the selling price from other

1 taxable sales of tangible personal property transferred. In  
2 DuPage, Kane, Lake, McHenry and Will Counties the rate shall be  
3 0.75% ~~1/4%~~ of the selling price of all tangible personal  
4 property transferred.

5 The tax imposed under this paragraph and all civil  
6 penalties that may be assessed as an incident thereof shall be  
7 collected and enforced by the State Department of Revenue. The  
8 Department shall have full power to administer and enforce this  
9 paragraph; to collect all taxes and penalties due hereunder; to  
10 dispose of taxes and penalties collected in the manner  
11 hereinafter provided; and to determine all rights to credit  
12 memoranda arising on account of the erroneous payment of tax or  
13 penalty hereunder. In the administration of and compliance with  
14 this paragraph, the Department and persons who are subject to  
15 this paragraph shall have the same rights, remedies,  
16 privileges, immunities, powers and duties, and be subject to  
17 the same conditions, restrictions, limitations, penalties,  
18 exclusions, exemptions and definitions of terms, and employ the  
19 same modes of procedure, as are prescribed in Sections 1a-1, 2,  
20 2a, 3 through 3-50 (in respect to all provisions therein other  
21 than the State rate of tax), 4 (except that the reference to  
22 the State shall be to the Authority), 5, 7, 8 (except that the  
23 jurisdiction to which the tax shall be a debt to the extent  
24 indicated in that Section 8 shall be the Authority), 9 (except  
25 as to the disposition of taxes and penalties collected, and  
26 except that the returned merchandise credit for this tax may

1 not be taken against any State tax), 10, 11, 12 (except the  
2 reference therein to Section 2b of the Retailers' Occupation  
3 Tax Act), 13 (except that any reference to the State shall mean  
4 the Authority), the first paragraph of Section 15, 16, 17, 18,  
5 19 and 20 of the Service Occupation Tax Act and Section 3-7 of  
6 the Uniform Penalty and Interest Act, as fully as if those  
7 provisions were set forth herein.

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

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

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

1 (g) If a tax has been imposed under paragraph (e), a tax  
2 shall also be imposed upon the privilege of using in the  
3 metropolitan region, any item of tangible personal property  
4 that is purchased outside the metropolitan region at retail  
5 from a retailer, and that is titled or registered with an  
6 agency of this State's government. In Cook County the tax rate  
7 shall be 1% ~~3/4%~~ of the selling price of the tangible personal  
8 property, as "selling price" is defined in the Use Tax Act. In  
9 DuPage, Kane, Lake, McHenry and Will counties the tax rate  
10 shall be 0.75% ~~1/4%~~ of the selling price of the tangible  
11 personal property, as "selling price" is defined in the Use Tax  
12 Act. The tax shall be collected from persons whose Illinois  
13 address for titling or registration purposes is given as being  
14 in the metropolitan region. The tax shall be collected by the  
15 Department of Revenue for the Regional Transportation  
16 Authority. The tax must be paid to the State, or an exemption  
17 determination must be obtained from the Department of Revenue,  
18 before the title or certificate of registration for the  
19 property may be issued. The tax or proof of exemption may be  
20 transmitted to the Department by way of the State agency with  
21 which, or the State officer with whom, the tangible personal  
22 property must be titled or registered if the Department and the  
23 State agency or State officer determine that this procedure  
24 will expedite the processing of applications for title or  
25 registration.

26 The Department shall have full power to administer and

1 enforce this paragraph; to collect all taxes, penalties and  
2 interest due hereunder; to dispose of taxes, penalties and  
3 interest collected in the manner hereinafter provided; and to  
4 determine all rights to credit memoranda or refunds arising on  
5 account of the erroneous payment of tax, penalty or interest  
6 hereunder. In the administration of and compliance with this  
7 paragraph, the Department and persons who are subject to this  
8 paragraph shall have the same rights, remedies, privileges,  
9 immunities, powers and duties, and be subject to the same  
10 conditions, restrictions, limitations, penalties, exclusions,  
11 exemptions and definitions of terms and employ the same modes  
12 of procedure, as are prescribed in Sections 2 (except the  
13 definition of "retailer maintaining a place of business in this  
14 State"), 3 through 3-80 (except provisions pertaining to the  
15 State rate of tax, and except provisions concerning collection  
16 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
17 19 (except the portions pertaining to claims by retailers and  
18 except the last paragraph concerning refunds), 20, 21 and 22 of  
19 the Use Tax Act, and are not inconsistent with this paragraph,  
20 as fully as if those provisions were set forth herein.

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



1 Treasurer out of the Regional Transportation Authority tax fund  
2 established under paragraph (n) of this Section.

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

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

1 accordance with the directions contained in the certification.

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

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

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

22 (l) The Board in imposing any tax as provided in paragraphs  
23 (b) and (c) of this Section, shall, after seeking the advice of  
24 the State Department of Revenue, provide means for retailers,  
25 users or purchasers of motor fuel for purposes other than those  
26 with regard to which the taxes may be imposed as provided in

1 those paragraphs to receive refunds of taxes improperly paid,  
2 which provisions may be at variance with the refund provisions  
3 as applicable under the Municipal Retailers Occupation Tax Act.  
4 The State Department of Revenue may provide for certificates of  
5 registration for users or purchasers of motor fuel for purposes  
6 other than those with regard to which taxes may be imposed as  
7 provided in paragraphs (b) and (c) of this Section to  
8 facilitate the reporting and nontaxability of the exempt sales  
9 or uses.

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

1 as of the first day of the first month to occur not less than 60  
2 days ~~January next~~ following such adoption and filing. Any  
3 ordinance or resolution of the Authority imposing a tax under  
4 this Section and in effect on August 1, 2007 shall remain in  
5 full force and effect and shall be administered by the  
6 Department of Revenue under the terms and conditions and rates  
7 of tax established by such ordinance or resolution until the  
8 Department begins administering and enforcing an increased tax  
9 under this Section as authorized by this amendatory Act of the  
10 95th General Assembly. The tax rates authorized by this  
11 amendatory Act of the 95th General Assembly are effective only  
12 if imposed by ordinance of the Authority.

13 (n) The State Department of Revenue shall, upon collecting  
14 any taxes as provided in this Section, pay the taxes over to  
15 the State Treasurer as trustee for the Authority. The taxes  
16 shall be held in a trust fund outside the State Treasury. On or  
17 before the 25th day of each calendar month, the State  
18 Department of Revenue shall prepare and certify to the  
19 Comptroller of the State of Illinois and ~~the amount to be paid~~  
20 ~~to the Authority, which shall be the then balance in the fund,~~  
21 ~~less any amount determined by the Department to be necessary~~  
22 ~~for the payment of refunds. The State Department of Revenue~~  
23 ~~shall also certify~~ to the Authority (i) the amount of taxes  
24 collected in each County other than Cook County in the  
25 metropolitan region, (ii) ~~less the amount necessary for the~~  
26 ~~payment of refunds to taxpayers in the County. With regard to~~

1 ~~the County of Cook, the certification shall specify~~ the amount  
2 of taxes collected within the City of Chicago, ~~less the amount~~  
3 ~~necessary for the payment of refunds to taxpayers in the City~~  
4 ~~of Chicago~~ and (iii) the amount collected in that portion of  
5 Cook County outside of Chicago, each amount less the amount  
6 necessary for the payment of refunds to taxpayers located in  
7 those areas described in items (i), (ii), and (iii) in that  
8 ~~portion of Cook County outside of Chicago~~. Within 10 days after  
9 receipt by the Comptroller of the certification of the amounts  
10 ~~amount to be paid to the Authority~~, the Comptroller shall cause  
11 an order to be drawn for the payment of two-thirds of the  
12 amounts certified in item (i) of this subsection to the  
13 Authority and one-third of the amounts certified in item (i) of  
14 this subsection to the respective counties other than Cook  
15 County and the amount certified in items (ii) and (iii) of this  
16 subsection to the Authority ~~for the amount in accordance with~~  
17 ~~the direction in the certification.~~

18 In addition to the disbursement required by the preceding  
19 paragraph, an allocation shall be made in July 1991 and each  
20 year thereafter to the Regional Transportation Authority. The  
21 allocation shall be made in an amount equal to the average  
22 monthly distribution during the preceding calendar year  
23 (excluding the 2 months of lowest receipts) and the allocation  
24 shall include the amount of average monthly distribution from  
25 the Regional Transportation Authority Occupation and Use Tax  
26 Replacement Fund. The distribution made in July 1992 and each

1 year thereafter under this paragraph and the preceding  
2 paragraph shall be reduced by the amount allocated and  
3 disbursed under this paragraph in the preceding calendar year.  
4 The Department of Revenue shall prepare and certify to the  
5 Comptroller for disbursement the allocations made in  
6 accordance with this paragraph.

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

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

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

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

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

9 (70 ILCS 3615/4.03.3 new)

10 Sec. 4.03.3. Distribution of Revenues. This Section  
11 applies only after the Department begins administering and  
12 enforcing an increased tax under Section 4.03(m) as authorized  
13 by this amendatory Act of the 95th General Assembly. After  
14 providing for payment of its obligations with respect to bonds  
15 and notes issued under the provisions of Section 4.04 and  
16 obligations related to those bonds and notes, the Authority  
17 shall disburse the remaining proceeds from taxes it has  
18 received from the Department of Revenue under this Article IV  
19 and the remaining proceeds it has received from the State under  
20 Section 4.09(a) as follows:

21 (a) With respect to taxes imposed by the Authority under  
22 Section 4.03, after withholding 15% of 80% of the receipts from  
23 those taxes collected in Cook County at a rate of 1.25%, 15% of  
24 75% of the receipts from those taxes collected in Cook County  
25 at the rate of 1%, 15% of one-half of the receipts from those

1 taxes collected in DuPage, Kane, Lake, McHenry, and Will  
2 Counties, and 15% of money received by the Authority from the  
3 Regional Transportation Authority Occupation and Use Tax  
4 Replacement Fund, the Board shall allocate the proceeds and  
5 money remaining to the Service Boards as follows:

6 (1) an amount equal to (i) 85% of 80% of the receipts  
7 from those taxes collected within the City of Chicago at a  
8 rate of 1.25%, (ii) 85% of 75% of the receipts from those  
9 taxes collected in the City of Chicago at the rate of 1%,  
10 and (iii) 85% of the money received by the Authority on  
11 account of transfers to the Regional Transportation  
12 Authority Occupation and Use Tax Replacement Fund from the  
13 County and Mass Transit District Fund attributable to  
14 retail sales within the City of Chicago shall be allocated  
15 to the Chicago Transit Authority;

16 (2) an amount equal to (i) 85% of 80% of the receipts  
17 from those taxes collected within Cook County outside of  
18 the City of Chicago at a rate of 1.25%, (ii) 85% of 75% of  
19 the receipts from those taxes collected within Cook County  
20 outside the City of Chicago at a rate of 1%, and (iii) 85%  
21 of the money received by the Authority on account of  
22 transfers to the Regional Transportation Authority  
23 Occupation and Use Tax Replacement Fund from the County and  
24 Mass Transit District Fund attributable to retail sales  
25 within Cook County outside of the City of Chicago shall be  
26 allocated 30% to the Chicago Transit Authority, 55% to the



1 Commuter Rail Board, and 15% to the Suburban Bus Board; and

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

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

23 (c) (i) 20% of the receipts from those taxes collected in  
24 Cook County under Section 4.03 at the rate of 1.25%, (ii) 25%  
25 of the receipts from those taxes collected in Cook County under  
26 Section 4.03 at the rate of 1%, (iii) 50% of the receipts from

1 those taxes collected in DuPage, Kane, Lake, McHenry, and Will  
2 Counties under Section 4.03, and (iv) amounts received from the  
3 State under Section 4.09 (a) (2) and items (i), (ii), and (iii)  
4 of Section 4.09 (a) (3) shall be allocated as follows: in 2008,  
5 \$100,000,000 shall be deposited in the ADA Paratransit Fund  
6 described in Section 2.01d, \$20,000,000 shall be deposited in  
7 the Suburban Community Mobility Fund described in Section  
8 2.01e, and \$10,000,000 shall be deposited in the Innovation,  
9 Coordination and Enhancement Fund described in Section 2.01c,  
10 and the balance shall be allocated 48% to the Chicago Transit  
11 Authority, 39% to the Commuter Rail Board, and 13% to the  
12 Suburban Bus Board; and in 2009 and each year thereafter, the  
13 amounts deposited in the ADA Paratransit Fund, the Suburban  
14 Community Mobility Fund and the Innovation, Coordination and  
15 Enhancement Fund respectively shall equal the amount deposited  
16 in the previous year increased or decreased by the percentage  
17 growth or decline in revenues received by the Authority from  
18 taxes imposed under Section 4.03 in the previous year, and the  
19 balance shall be allocated 48% to the Chicago Transit  
20 Authority, 39% to the Commuter Rail Board and 13% to the  
21 Suburban bus Board.

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

25 (e) With respect to those taxes collected in DuPage, Kane,  
26 Lake, McHenry, and Will Counties and paid directly to the

1 counties under Section 4.03, the County Board of each county  
2 shall use those amounts to fund operating and capital costs of  
3 public transportation services or facilities or to fund  
4 operating, capital, right-of-way, construction, and  
5 maintenance costs of other transportation purposes, including  
6 road, bridge, public safety, and transit purposes intended to  
7 improve mobility or reduce congestion in the county. The  
8 receipt of funding by such counties pursuant to this paragraph  
9 shall not be used as the basis for reducing any funds that such  
10 counties would otherwise have received from the State of  
11 Illinois, any agency or instrumentality thereof, the  
12 Authority, or the Service Boards.

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

21 (g) Beginning January 1, 2009, before making any payments,  
22 transfers, or expenditures under this Section to a Service  
23 Board, the Authority must first comply with Section 4.02a or  
24 4.02b of this Act, whichever may be applicable.

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

2           (a) The Authority shall have the continuing power to borrow  
3 money and to issue its negotiable bonds or notes as provided in  
4 this Section. Unless otherwise indicated in this Section, the  
5 term "notes" also includes bond anticipation notes, which are  
6 notes which by their terms provide for their payment from the  
7 proceeds of bonds thereafter to be issued. Bonds or notes of  
8 the Authority may be issued for any or all of the following  
9 purposes: to pay costs to the Authority or a Service Board of  
10 constructing or acquiring any public transportation facilities  
11 (including funds and rights relating thereto, as provided in  
12 Section 2.05 of this Act); to repay advances to the Authority  
13 or a Service Board made for such purposes; to pay other  
14 expenses of the Authority or a Service Board incident to or  
15 incurred in connection with such construction or acquisition;  
16 to provide funds for any transportation agency to pay principal  
17 of or interest or redemption premium on any bonds or notes,  
18 whether as such amounts become due or by earlier redemption,  
19 issued prior to the date of this amendatory Act by such  
20 transportation agency to construct or acquire public  
21 transportation facilities or to provide funds to purchase such  
22 bonds or notes; and to provide funds for any transportation  
23 agency to construct or acquire any public transportation  
24 facilities, to repay advances made for such purposes, and to  
25 pay other expenses incident to or incurred in connection with  
26 such construction or acquisition; and to provide funds for

1 payment of obligations, including the funding of reserves,  
2 under any self-insurance plan or joint self-insurance pool or  
3 entity.

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

1 that the Board of the Authority may determine to issue, the  
2 Suburban Bus Board, the Commuter Rail Board or the Board of the  
3 Chicago Transit Authority may demand and direct that the  
4 Authority issue its Working Cash Notes in such amounts and  
5 having such maturities as the Service Board may determine.

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

1 service reserve fund with respect to any or all of its bonds or  
2 notes. The Authority may also issue and deliver its bonds or  
3 notes in exchange for any public transportation facilities,  
4 (including funds and rights relating thereto, as provided in  
5 Section 2.05 of this Act) or in exchange for outstanding bonds  
6 or notes of the Authority, including any accrued interest or  
7 redemption premium thereon, without advertising or submitting  
8 such notes or bonds for public bidding.

9 (b) The ordinance providing for the issuance of any such  
10 bonds or notes shall fix the date or dates of maturity, the  
11 dates on which interest is payable, any sinking fund account or  
12 reserve fund account provisions and all other details of such  
13 bonds or notes and may provide for such covenants or agreements  
14 necessary or desirable with regard to the issue, sale and  
15 security of such bonds or notes. The rate or rates of interest  
16 on its bonds or notes may be fixed or variable and the  
17 Authority shall determine or provide for the determination of  
18 the rate or rates of interest of its bonds or notes issued  
19 under this Act in an ordinance adopted by the Authority prior  
20 to the issuance thereof, none of which rates of interest shall  
21 exceed that permitted in the Bond Authorization Act. Interest  
22 may be payable at such times as are provided for by the Board.  
23 Bonds and notes issued under this Section may be issued as  
24 serial or term obligations, shall be of such denomination or  
25 denominations and form, including interest coupons to be  
26 attached thereto, be executed in such manner, shall be payable

1 at such place or places and bear such date as the Authority  
2 shall fix by the ordinance authorizing such bond or note and  
3 shall mature at such time or times, within a period not to  
4 exceed forty years from the date of issue, and may be  
5 redeemable prior to maturity with or without premium, at the  
6 option of the Authority, upon such terms and conditions as the  
7 Authority shall fix by the ordinance authorizing the issuance  
8 of such bonds or notes. No bond anticipation note or any  
9 renewal thereof shall mature at any time or times exceeding 5  
10 years from the date of the first issuance of such note. The  
11 Authority may provide for the registration of bonds or notes in  
12 the name of the owner as to the principal alone or as to both  
13 principal and interest, upon such terms and conditions as the  
14 Authority may determine. The ordinance authorizing bonds or  
15 notes may provide for the exchange of such bonds or notes which  
16 are fully registered, as to both principal and interest, with  
17 bonds or notes which are registerable as to principal only. All  
18 bonds or notes issued under this Section by the Authority other  
19 than those issued in exchange for property or for bonds or  
20 notes of the Authority shall be sold at a price which may be at  
21 a premium or discount but such that the interest cost  
22 (excluding any redemption premium) to the Authority of the  
23 proceeds of an issue of such bonds or notes, computed to stated  
24 maturity according to standard tables of bond values, shall not  
25 exceed that permitted in the Bond Authorization Act. The  
26 Authority shall notify the Governor's Office of Management and



1 Budget and the State Comptroller at least 30 days before any  
2 bond sale and shall file with the Governor's Office of  
3 Management and Budget and the State Comptroller a certified  
4 copy of any ordinance authorizing the issuance of bonds at or  
5 before the issuance of the bonds. After December 31, 1994, any  
6 such bonds or notes shall be sold to the highest and best  
7 bidder on sealed bids as the Authority shall deem. As such  
8 bonds or notes are to be sold the Authority shall advertise for  
9 proposals to purchase the bonds or notes which advertisement  
10 shall be published at least once in a daily newspaper of  
11 general circulation published in the metropolitan region at  
12 least 10 days before the time set for the submission of bids.  
13 The Authority shall have the right to reject any or all bids.  
14 Notwithstanding any other provisions of this Section, Working  
15 Cash Notes or bonds or notes to provide funds for  
16 self-insurance or a joint self-insurance pool or entity may be  
17 sold either upon competitive bidding or by negotiated sale  
18 (without any requirement of publication of intention to  
19 negotiate the sale of such Notes), as the Board shall determine  
20 by ordinance adopted with the affirmative votes of at least 7  
21 Directors. In case any officer whose signature appears on any  
22 bonds, notes or coupons authorized pursuant to this Section  
23 shall cease to be such officer before delivery of such bonds or  
24 notes, such signature shall nevertheless be valid and  
25 sufficient for all purposes, the same as if such officer had  
26 remained in office until such delivery. Neither the Directors

1 of the Authority nor any person executing any bonds or notes  
2 thereof shall be liable personally on any such bonds or notes  
3 or coupons by reason of the issuance thereof.

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

1 Section shall be superior to and have priority over any other  
2 obligations of the Authority.

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

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

1 accounts created by the ordinance with respect to bonds or  
2 notes or used for paying bonds or notes to be paid by the  
3 trustee to the Authority.

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

21 (f) The State of Illinois pledges to and agrees with the  
22 holders of the bonds and notes of the Authority issued pursuant  
23 to this Section that the State will not limit or alter the  
24 rights and powers vested in the Authority by this Act so as to  
25 impair the terms of any contract made by the Authority with  
26 such holders or in any way impair the rights and remedies of

1 such holders until such bonds and notes, together with interest  
2 thereon, with interest on any unpaid installments of interest,  
3 and all costs and expenses in connection with any action or  
4 proceedings by or on behalf of such holders, are fully met and  
5 discharged. In addition, the State pledges to and agrees with  
6 the holders of the bonds and notes of the Authority issued  
7 pursuant to this Section that the State will not limit or alter  
8 the basis on which State funds are to be paid to the Authority  
9 as provided in this Act, or the use of such funds, so as to  
10 impair the terms of any such contract. The Authority is  
11 authorized to include these pledges and agreements of the State  
12 in any contract with the holders of bonds or notes issued  
13 pursuant to this Section.

14 (g) (1) Except as provided in subdivisions (g)(2) and  
15 (g)(3) of Section 4.04 of this Act, the Authority shall not  
16 at any time issue, sell or deliver any bonds or notes  
17 (other than Working Cash Notes) pursuant to this Section  
18 4.04 which will cause it to have issued and outstanding at  
19 any time in excess of \$800,000,000 of such bonds and notes  
20 (other than Working Cash Notes). The Authority shall not at  
21 any time issue, sell, or deliver any Working Cash Notes  
22 pursuant to this Section that will cause it to have issued  
23 and outstanding at any time in excess of \$100,000,000.  
24 Notwithstanding the foregoing, before January 1, 2009, the  
25 Authority may issue and have outstanding an additional  
26 \$300,000,000 in Working Cash Notes, provided that no such

1 note shall mature later than December 31, 2010. ~~The~~  
2 ~~Authority shall not at any time issue, sell or deliver any~~  
3 ~~Working Cash Notes pursuant to this Section which will~~  
4 ~~cause it to have issued and outstanding at any time in~~  
5 ~~excess of \$100,000,000 of Working Cash Notes.~~ Bonds or  
6 notes which are being paid or retired by such issuance,  
7 sale or delivery of bonds or notes, and bonds or notes for  
8 which sufficient funds have been deposited with the paying  
9 agency of such bonds or notes to provide for payment of  
10 principal and interest thereon or to provide for the  
11 redemption thereof, all pursuant to the ordinance  
12 authorizing the issuance of such bonds or notes, shall not  
13 be considered to be outstanding for the purposes of the  
14 first two sentences of this subsection.

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

19 \$100,000,000 is authorized to be issued on or after  
20 January 1, 1990;

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

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

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

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

3           the aggregate total authorization of bonds and notes  
4           for Strategic Capital Improvement Projects as of January 1,  
5           1994, shall be \$500,000,000.

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

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

23                 \$260,000,000 is authorized to be issued on or after  
24                 January 1, 2000;

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



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

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

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

7           the aggregate total authorization of bonds and notes  
8           for Strategic Capital Improvement Projects pursuant to  
9           this paragraph (3) as of January 1, 2004 shall be  
10          \$1,300,000,000.

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

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

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

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

7 (70 ILCS 3615/4.09) (from Ch. 111 2/3, par. 704.09)

8 Sec. 4.09. Public Transportation Fund and the Regional  
9 Transportation Authority Occupation and Use Tax Replacement  
10 Fund.

11 (a) (1) ~~(a) As soon as possible after the first day of each~~  
12 ~~month, beginning November 1, 1983, the Comptroller shall order~~  
13 ~~transferred and the Treasurer shall transfer from the General~~  
14 ~~Revenue Fund to a special fund in the State Treasury, to be~~  
15 ~~known as the "Public Transportation Fund" \$9,375,000 for each~~  
16 ~~month remaining in State fiscal year 1984.~~ As soon as possible  
17 after the first day of each month, beginning July 1, 1984, upon  
18 certification of the Department of Revenue, the Comptroller  
19 shall order transferred and the Treasurer shall transfer from  
20 the General Revenue Fund to the Public Transportation Fund an  
21 amount equal to 25% of the net revenue, before the deduction of  
22 the serviceman and retailer discounts pursuant to Section 9 of  
23 the Service Occupation Tax Act and Section 3 of the Retailers'  
24 Occupation Tax Act, realized from (i) 80% of the proceeds of  
25 any tax imposed by the Authority at a rate of 1.25% in Cook

1 County, (ii) 75% of the proceeds of any tax imposed by the  
2 Authority at the rate of 1% in Cook County, and (iii) one-third  
3 of the proceeds of any tax imposed by the Authority at the rate  
4 of 0.75% in the Counties of DuPage, Kane, Lake, McHenry, and  
5 Will pursuant to Sections 4.03 and 4.03.1 and 25% of the  
6 amounts deposited into the Regional Transportation Authority  
7 tax fund created by Section 4.03 of this Act, from the County  
8 and Mass Transit District Fund as provided in Section 6z-20 of  
9 the State Finance Act and 25% of the amounts deposited into the  
10 Regional Transportation Authority Occupation and Use Tax  
11 Replacement Fund from the State and Local Sales Tax Reform Fund  
12 as provided in Section 6z-17 of the State Finance Act. As used  
13 in this Section, net ~~Net~~ revenue realized for a month shall be  
14 the revenue collected by the State pursuant to Sections 4.03  
15 and 4.03.1 during the previous month from within the  
16 metropolitan region, less the amount paid out during that same  
17 month as refunds to taxpayers for overpayment of liability in  
18 the metropolitan region under Sections 4.03 and 4.03.1.

19 (2) On the first day of the month following the effective  
20 date of this amendatory Act of the 95th General Assembly and  
21 each month thereafter, upon certification by the Department of  
22 Revenue, the Comptroller shall order transferred and the  
23 Treasurer shall transfer from the General Revenue Fund to the  
24 Public Transportation Fund an amount equal to 5% of the net  
25 revenue, before the deduction of the serviceman and retailer  
26 discounts pursuant to Section 9 of the Service Occupation Tax

1 Act and Section 3 of the Retailers' Occupation Tax Act,  
2 realized from the proceeds of any tax imposed by the Authority  
3 under the provisions of Section 4.03 and certified by the  
4 Department of Revenue under Section 4.03(n) of this Act to be  
5 paid to the Authority and 5% of the revenue realized by the  
6 Chicago Transit Authority as financial assistance from the City  
7 of Chicago from the proceeds of any tax imposed by the City  
8 under Section 8-3-19 of the Illinois Municipal Code.

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

1 under Section 8-3-19 of the Municipal Code.

2 (b) (1) All moneys deposited in the Public Transportation  
3 Fund and the Regional Transportation Authority Occupation and  
4 Use Tax Replacement Fund, whether deposited pursuant to this  
5 Section or otherwise, are allocated to the Authority. Pursuant  
6 to appropriation, the Comptroller, as soon as possible after  
7 each monthly transfer provided in this Section and after each  
8 deposit into the Public Transportation Fund, shall order the  
9 Treasurer to pay to the Authority out of the Public  
10 Transportation Fund the amount so transferred or deposited. Any  
11 additional State assistance and additional financial  
12 assistance paid to the Authority under this Section shall be  
13 expended by the Authority for its purposes as provided in this  
14 Act. The balance of the amounts paid to the Authority from the  
15 Public Transportation Fund shall be expended by the Authority  
16 as provided in Section 4.03.3. ~~Such amounts paid to the~~  
17 ~~Authority may be expended by it for its purposes as provided in~~  
18 ~~this Act.~~ Subject to appropriation to the Department of  
19 Revenue, the Comptroller, as soon as possible after each  
20 deposit into the Regional Transportation Authority Occupation  
21 and Use Tax Replacement Fund provided in this Section and  
22 Section 6z-17 of the State Finance Act, shall order the  
23 Treasurer to pay to the Authority out of the Regional  
24 Transportation Authority Occupation and Use Tax Replacement  
25 Fund the amount so deposited. Such amounts paid to the  
26 Authority may be expended by it for its purposes as provided in

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

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

19	1990	\$5,000,000;
20	1991	\$5,000,000;
21	1992	\$10,000,000;
22	1993	\$10,000,000;
23	1994	\$20,000,000;
24	1995	\$30,000,000;
25	1996	\$40,000,000;
26	1997	\$50,000,000;

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

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

12           2000                           \$0;  
13           2001                           \$16,000,000;  
14           2002                           \$35,000,000;  
15           2003                           \$54,000,000;  
16           2004                           \$73,000,000;  
17           2005                           \$93,000,000; and  
18           each year thereafter   \$100,000,000.

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

24           (1) The amount necessary and required, during the State  
25          fiscal year with respect to which the certification is  
26          made, to pay its obligations for debt service on all

1 outstanding bonds or notes issued by the Authority under  
2 subdivisions (g) (2) and (g) (3) of Section 4.04 of this Act.

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

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

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

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

23 Immediately upon the issuance of bonds for which an  
24 estimated schedule of debt service payments was prepared, the  
25 Authority shall file an amended certification with respect to  
26 item (2) above, to specify the actual schedule of debt service



1 payments, including the date and amount of each payment, for  
2 the remainder of the State fiscal year.

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

24 (A) In no event shall the total transfers in any State  
25 fiscal year relating to outstanding bonds and notes issued  
26 by the Authority under subdivision (g)(2) of Section 4.04

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

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

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

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

1 debt service on its bonds.

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

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

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

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

1 Chicago Transit Authority, as defined in Section 12c of the  
2 Metropolitan Transit Authority Act, or bonds or notes  
3 issued pursuant to that Section; the payment by the  
4 Commuter Rail Division of debt service on bonds issued  
5 pursuant to Section 3B.09; expenses incurred by the  
6 Suburban Bus Division for the cost of new public  
7 transportation services funded from grants pursuant to  
8 Section 2.01e of this amendatory Act of the 95th General  
9 Assembly for a period of 2 years from the date of  
10 initiation of each such service; costs as exempted by the  
11 Board for projects pursuant to Section 2.09 of this Act;  
12 or, beginning with the 2007 fiscal year, expenses related  
13 to providing ADA paratransit service pursuant to Section  
14 2.30 of the Regional Transportation Authority Act; or in  
15 fiscal years 2008 through 2017 inclusive, costs in the  
16 amount of \$200,000,000 in fiscal year 2008, reducing by  
17 \$20,000,000 in each fiscal year thereafter until this  
18 exemption is eliminated. If said system generated revenues  
19 are less than 50% of said costs, the Board shall remit an  
20 amount equal to the amount of the deficit to the State. The  
21 Treasurer shall deposit any such payment in the General  
22 Revenue Fund; and

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

1 the aggregate of all costs of providing such ADA  
2 paratransit services.

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

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

16 (70 ILCS 3615/4.11) (from Ch. 111 2/3, par. 704.11)

17 Sec. 4.11. Budget Review Powers.

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

1 receipts to be received by the Authority from the taxes imposed  
2 by the Authority and the authorized estimates of amounts to be  
3 available from State and other sources to the Service Boards,  
4 and the times at which such receipts and amounts will be  
5 available, the Board shall, not later than the next preceding  
6 September 15th prior to the beginning of the Authority's next  
7 fiscal year, advise each Service Board of the amounts estimated  
8 by the Board to be available for such Service Board during such  
9 fiscal year and the two following fiscal years and the times at  
10 which such amounts will be available. The Board shall, at the  
11 same time, also advise each Service Board of its required  
12 system generated revenues recovery ratio for the next fiscal  
13 year which shall be the percentage of the aggregate costs of  
14 providing public transportation by or under jurisdiction of  
15 that Service Board which must be recovered from system  
16 generated revenues. The Board shall, at the same time,  
17 beginning with the 2007 fiscal year, also advise each Service  
18 Board that provides ADA paratransit services of its required  
19 system generated ADA paratransit services revenue recovery  
20 ratio for the next fiscal year which shall be the percentage of  
21 the aggregate costs of providing ADA paratransit services by or  
22 under jurisdiction of that Service Board which must be  
23 recovered from fares charged for such services, except that  
24 such required system generated ADA paratransit services  
25 revenue recovery ratio shall not exceed the minimum percentage  
26 established pursuant to Section 4.01(b)(ii) of this Act. In

1 determining a Service Board's system generated revenue  
2 recovery ratio, the Board shall consider the historical system  
3 generated revenues recovery ratio for the services subject to  
4 the jurisdiction of that Service Board. The Board shall not  
5 increase a Service Board's system generated revenues recovery  
6 ratio for the next fiscal year over such ratio for the current  
7 fiscal year disproportionately or prejudicially to increases  
8 in such ratios for other Service Boards. The Board may, by  
9 ordinance, provide that (i) the cost of research and  
10 development projects in the fiscal year beginning January 1,  
11 1986 and ending December 31, 1986 conducted pursuant to Section  
12 2.09 of this Act, ~~and (ii) up to \$5,000,000 annually of the~~  
13 ~~costs for passenger security, and (iii) expenditures of amounts~~  
14 granted to a Service Board from the Innovation, Coordination,  
15 and Enhancement Fund for operating purposes may be exempted  
16 from the farebox recovery ratio or the system generated  
17 revenues recovery ratio of the Chicago Transit Authority, the  
18 Suburban Bus Board, and the Commuter Rail Board, or any of  
19 them. During fiscal years 2008 through 2017, the Board may also  
20 allocate the exemption of \$200,000,000 and the reducing amounts  
21 of costs provided by this amendatory Act of the 95th General  
22 Assembly from the farebox recovery ratio or system generated  
23 revenues recovery ratio of each Service Board. ~~For the fiscal~~  
24 ~~year beginning January 1, 1986 and ending December 31, 1986,~~  
25 ~~and for the fiscal year beginning January 1, 1987 and ending~~  
26 ~~December 31, 1987, the Board shall, by ordinance, provide that:~~



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

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

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

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

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

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

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

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

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

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

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

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

18           (4) Unless the Board by an affirmative vote of 12 ~~9~~ of the  
19 then Directors determines that the budget and financial plan of  
20 a Service Board meets the criteria specified in clauses (i)  
21 ~~(ii)~~ through (vii) of subparagraph (2) of this paragraph (b),  
22 the Board shall not release to that Service Board any funds for  
23 the periods covered by such budget and financial plan after  
24 February 1, except 75% of ~~for~~ the cash proceeds of taxes  
25 imposed by the Authority under Section 4.03 and Section 4.03.1  
26 which are allocated to the Service Board under Section 4.03.3

1 and received by the Authority after February 1 shall be  
2 released to the Service Board. The remainder of any cash  
3 proceeds of taxes imposed by the Authority under Section 4.03  
4 and Section 4.03.1 that are allocated to the Service Board  
5 under Section 4.01 shall be released to the Service Board only  
6 upon approval of a budget and financial plan under this Section  
7 or adoption of a budget and financial plan on behalf of the  
8 Service Board by the Authority 4.01.

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

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

1 Boards be revised in order to allow the Authority to meet its  
2 required ratio, the Board shall advise any such Service Board  
3 of its revised ratio and such Service Board shall within 30  
4 days after receipt of such advice submit a revised budget  
5 incorporating such revised estimates or ratio.

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

17 (3) If the Board shall determine that a revised budget  
18 submitted by a Service Board pursuant to subparagraph (1) or  
19 (2) of this paragraph (c) does not meet the criteria specified  
20 in clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of  
21 paragraph (b) of this Section, the Board shall not release any  
22 monies to that Service Board, except 75% of the cash proceeds  
23 of taxes imposed by the Authority under Section 4.03 or 4.03.1  
24 which are allocated to the Service Board under Section 4.03.3  
25 ~~4.01~~. If the Service Board submits a revised financial plan and  
26 budget which plan and budget shows that the criteria will be

1 met within a four quarter period, the Board shall continue to  
2 release funds to the Service Board. The Board by the  
3 affirmative vote of at least 12 ~~a 9 vote~~ of its then Directors  
4 may require a Service Board to submit a revised financial plan  
5 and budget which shows that the criteria will be met in a time  
6 period less than four quarters.

7 (d) All budgets and financial plans, financial statements,  
8 audits and other information presented to the Authority  
9 pursuant to this Section or which may be required by the Board  
10 to permit it to monitor compliance with the provisions of this  
11 Section shall be prepared and presented in such manner and  
12 frequency and in such detail as shall have been prescribed by  
13 the Board, shall be prepared on both an accrual and cash flow  
14 basis as specified by the Board, shall present such information  
15 as the Authority shall prescribe that fairly presents the  
16 condition of any pension plan or trust for health care benefits  
17 with respect to retirees established by the Service Board and  
18 describes the plans of the Service Board to meet the  
19 requirements of Sections 4.02a and 4.02b, and shall identify  
20 and describe the assumptions and projections employed in the  
21 preparation thereof to the extent required by the Board. If the  
22 Executive Director certifies that a Service Board has not  
23 presented its budget and two-year financial plan in conformity  
24 with the rules adopted by the Authority under the provisions of  
25 Section 4.01(f) and this subsection (d), and such certification  
26 is accepted by the affirmative vote of at least 12 of the then

1 Directors of the Authority, the Authority shall not distribute  
2 to that Service Board any funds for operating purposes in  
3 excess of the amounts distributed for such purposes to the  
4 Service Board in the previous fiscal year. Except when the  
5 Board adopts a budget and a financial plan for a Service Board  
6 under paragraph (b) (5), a Service Board shall provide for such  
7 levels of transportation services and fares or charges therefor  
8 as it deems appropriate and necessary in the preparation of a  
9 budget and financial plan meeting the criteria set forth in  
10 clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of paragraph  
11 (b) of this Section. The Authority Board shall have access to  
12 and the right to examine and copy all books, documents, papers,  
13 records, or other source data of a Service Board relevant to  
14 any information submitted pursuant to this Section.

15 (e) Whenever this Section requires the Board to make  
16 determinations with respect to estimates, budgets or financial  
17 plans, or rules or regulations with respect thereto such  
18 determinations shall be made upon the affirmative vote of at  
19 least 12 ~~9~~ of the then Directors and shall be incorporated in a  
20 written report of the Board and such report shall be submitted  
21 within 10 days after such determinations are made to the  
22 Governor, the Mayor of Chicago (if such determinations relate  
23 to the Chicago Transit Authority), and the Auditor General of  
24 Illinois.

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

1 (70 ILCS 3615/4.13) (from Ch. 111 2/3, par. 704.13)

2 Sec. 4.13. Annual Capital Improvement Plan.

3 (a) With respect to each calendar year, the Authority shall  
4 prepare as part of its Five Year Program an Annual Capital  
5 Improvement Plan (the "Plan") which shall describe its intended  
6 development and implementation of the Strategic Capital  
7 Improvement Program. The Plan shall include the following  
8 information:

9 (i) a list of projects for which approval is sought  
10 from the Governor, with a description of each project  
11 stating at a minimum the project cost, its category, its  
12 location and the entity responsible for its  
13 implementation;

14 (ii) a certification by the Authority that the  
15 Authority and the Service Boards have applied for all  
16 grants, loans and other moneys made available by the  
17 federal government or the State of Illinois during the  
18 preceding federal and State fiscal years for financing its  
19 capital development activities;

20 (iii) a certification that, as of September 30 of the  
21 preceding calendar year or any later date, the balance of  
22 all federal capital grant funds and all other funds to be  
23 used as matching funds therefor which were committed to or  
24 possessed by the Authority or a Service Board but which had  
25 not been obligated was less than \$350,000,000, or a greater  
26 amount as authorized in writing by the Governor (for



1 purposes of this subsection (a), "obligated" means  
2 committed to be paid by the Authority or a Service Board  
3 under a contract with a nongovernmental entity in  
4 connection with the performance of a project or committed  
5 under a force account plan approved by the federal  
6 government);

7 (iv) a certification that the Authority has adopted a  
8 balanced budget with respect to such calendar year under  
9 Section 4.01 of this Act;

10 (v) a schedule of all bonds or notes previously issued  
11 for Strategic Capital Improvement Projects and all debt  
12 service payments to be made with respect to all such bonds  
13 and the estimated additional debt service payments through  
14 June 30 of the following calendar year expected to result  
15 from bonds to be sold prior thereto;

16 (vi) a long-range summary of the Strategic Capital  
17 Improvement Program describing the projects to be funded  
18 through the Program with respect to project cost, category,  
19 location, and implementing entity, and presenting a  
20 financial plan including an estimated time schedule for  
21 obligating funds for the performance of approved projects,  
22 issuing bonds, expending bond proceeds and paying debt  
23 service throughout the duration of the Program; and

24 (vii) the source of funding for each project in the  
25 Plan. For any project for which full funding has not yet  
26 been secured and which is not subject to a federal full

1 funding contract, the Authority must identify alternative,  
2 dedicated funding sources available to complete the  
3 project. The Governor may waive this requirement on a  
4 project by project basis.

5 (b) The Authority shall submit the Plan with respect to any  
6 calendar year to the Governor on or before January 15 of that  
7 year, or as soon as possible thereafter; provided, however,  
8 that the Plan shall be adopted on the affirmative votes of 12 ~~9~~  
9 of the then Directors. The Plan may be revised or amended at  
10 any time, but any revision in the projects approved shall  
11 require the Governor's approval.

12 (c) The Authority shall seek approval from the Governor  
13 only through the Plan or an amendment thereto. The Authority  
14 shall not request approval of the Plan from the Governor in any  
15 calendar year in which it is unable to make the certifications  
16 required under items (ii), (iii) and (iv) of subsection (a). In  
17 no event shall the Authority seek approval of the Plan from the  
18 Governor for projects in an aggregate amount exceeding the  
19 proceeds of bonds or notes for Strategic Capital Improvement  
20 Projects issued under Section 4.04 of this Act.

21 (d) The Governor may approve the Plan for which approval is  
22 requested. The Governor's approval is limited to the amount of  
23 the project cost stated in the Plan. The Governor shall not  
24 approve the Plan in a calendar year if the Authority is unable  
25 to make the certifications required under items (ii), (iii) and  
26 (iv) of subsection (a). In no event shall the Governor approve

1 the Plan for projects in an aggregate amount exceeding the  
2 proceeds of bonds or notes for Strategic Capital Improvement  
3 Projects issued under Section 4.04 of this Act.

4 (e) With respect to capital improvements, only those  
5 capital improvements which are in a Plan approved by the  
6 Governor shall be financed with the proceeds of bonds or notes  
7 issued for Strategic Capital Improvement Projects.

8 (f) Before the Authority or a Service Board obligates any  
9 funds for a project for which the Authority or Service Board  
10 intends to use the proceeds of bonds or notes for Strategic  
11 Capital Improvement Projects, but which project is not included  
12 in an approved Plan, the Authority must notify the Governor of  
13 the intended obligation. No project costs incurred prior to  
14 approval of the Plan including that project may be paid from  
15 the proceeds of bonds or notes for Strategic Capital  
16 Improvement Projects issued under Section 4.04 of this Act.

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

18 (70 ILCS 3615/4.14) (from Ch. 111 2/3, par. 704.14)

19 Sec. 4.14. Rate Protection Contract. "Rate Protection  
20 Contract" means interest rate price exchange agreements;  
21 currency exchange agreements; forward payment conversion  
22 agreements; contracts providing for payment or receipt of funds  
23 based on levels of, or changes in, interest rates, currency  
24 exchange rates, stock or other indices; contracts to exchange  
25 cash flows or a series of payments; contracts, including

1 without limitation, interest rate caps; interest rate floor;  
2 interest rate locks; interest rate collars; rate of return  
3 guarantees or assurances, to manage payment, currency, rate,  
4 spread or similar exposure; the obligation, right, or option to  
5 issue, put, lend, sell, grant a security interest in, buy,  
6 borrow or otherwise acquire, a bond, note or other security or  
7 interest therein as an investment, as collateral, as a hedge,  
8 or otherwise as a source or assurance of payment to or by the  
9 Authority or as a reduction of the Authority's or an obligor's  
10 risk exposure; repurchase agreements; securities lending  
11 agreements; and other agreements or arrangements similar to the  
12 foregoing.

13 Notwithstanding any provision in Section 2.20 (a) (ii) of  
14 this Act to the contrary, in connection with or incidental to  
15 the issuance by the Authority of its bonds or notes under the  
16 provisions of Section 4.04 or the exercise of its powers under  
17 subsection (b) of Section 2.20, the Authority, for its own  
18 benefit or for the benefit of the holders of its obligations or  
19 their trustee, may enter into rate protection contracts. The  
20 Authority may enter into rate protection contracts only  
21 pursuant to a determination by a vote of 12 ~~9~~ of the then  
22 Directors that the terms of the contracts and any related  
23 agreements reduce the risk of loss to the Authority, or  
24 protect, preserve or enhance the value of its assets, or  
25 provide compensation to the Authority for losses resulting from  
26 changes in interest rates. The Authority's obligations under

1 any rate protection contract or credit enhancement or liquidity  
2 agreement shall not be considered bonds or notes for purposes  
3 of this Act. For purposes of this Section a rate protection  
4 contract is a contract determined by the Authority as necessary  
5 or appropriate to permit it to manage payment, currency or  
6 interest rate risks or levels.

7 (Source: P.A. 87-764.)

8 (70 ILCS 3615/5.01) (from Ch. 111 2/3, par. 705.01)

9 Sec. 5.01. Hearings and Citizen Participation.

10 (a) The Authority shall provide for and encourage  
11 participation by the public in the development and review of  
12 public transportation policy, and in the process by which major  
13 decisions significantly affecting the provision of public  
14 transportation are made. The Authority shall coordinate such  
15 public participation processes with the Chicago Metropolitan  
16 Agency for Planning to the extent practicable.

17 (b) The Authority shall hold such public hearings as may be  
18 required by this Act or as the Authority may deem appropriate  
19 to the performance of any of its functions. The Authority shall  
20 coordinate such public hearings with the Chicago Metropolitan  
21 Agency for Planning to the extent practicable.

22 (c) Unless such items are specifically provided for either  
23 in the Five-Year Capital Program or in the annual budget  
24 program which has been the subject of public hearings as  
25 provided in Sections 2.01 or 4.01 of this Act, the Board shall

1 hold public hearings at which citizens may be heard prior to:

2 (i) the construction or acquisition of any public  
3 transportation facility, the aggregate cost of which exceeds \$5  
4 million; and

5 (ii) the extension of, or major addition to services  
6 provided by the Authority or by any transportation agency  
7 pursuant to a purchase of service agreement with the Authority.

8 (d) Unless such items are specifically provided for in the  
9 annual budget and program which has been the subject of public  
10 hearing, as provided in Section 4.01 of this Act, the Board  
11 shall hold public hearings at which citizens may be heard prior  
12 to the providing for or allowing, by means of any purchase of  
13 service agreement or any grant pursuant to Section 2.02 of this  
14 Act, any general increase or series of increases in fares or  
15 charges for public transportation, whether by the Authority or  
16 by any transportation agency, which increase or series of  
17 increases within any twelve months affects more than 25% of the  
18 consumers of service of the Authority or of the transportation  
19 agency; or so providing for or allowing any discontinuance of  
20 any public transportation route, or major portion thereof,  
21 which has been in service for more than a year.

22 (e) At least twenty days prior notice of any public  
23 hearing, as required in this Section, shall be given by public  
24 advertisement in a newspaper of general circulation in the  
25 metropolitan region.

26 (f) The Authority may designate one or more Directors or

1 may appoint one or more hearing officers to preside over any  
2 hearing pursuant to this Act. The Authority shall have the  
3 power in connection with any such hearing to issue subpoenas to  
4 require the attendance of witnesses and the production of  
5 documents, and the Authority may apply to any circuit court in  
6 the State to require compliance with such subpoenas.

7 (g) The Authority may require any Service Board to hold one  
8 or more public hearings with respect to any item described in  
9 paragraphs (c) and (d) of this Section 5.01, notwithstanding  
10 whether such item has been the subject of a public hearing  
11 under this Section 5.01 or Section 2.01 or 4.01 of this Act.

12 (Source: P.A. 78-3rd S.S.-5.)

13 (70 ILCS 3615/2.12a rep.)

14 (70 ILCS 3615/3.09 rep.)

15 (70 ILCS 3615/3.10 rep.)

16 Section 25. The Regional Transportation Authority Act is  
17 amended by repealing Sections 2.12a, 3.09, and 3.10.

18 Section 97. Severability. The provisions of this Act are  
19 severable under Section 1.31 of the Statute on Statutes.

20 Section 99. Effective date. This Act takes effect upon  
21 becoming law."